

BETH C. DRAIN, CA CSR NO. 7152

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
AND THE APPLICATION REVIEW SUBCOMMITTEE
TO THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: VIA ZOOM

DATE: NOVEMBER 12, 2020
10 A.M.

REPORTER: BETH C. DRAIN, CA CSR
CSR. NO. 7152

FILE NO.: 2020-18

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8. DISCUSSION OF CONFIDENTIAL INTELLECTUAL PROPERTY OR WORK PRODUCT, PREPUBLICATION DATA, FINANCIAL INFORMATION, CONFIDENTIAL SCIENTIFIC RESEARCH OR DATA, AND OTHER PROPRIETARY INFORMATION RELATING TO APPLICATIONS SUBMITTED IN RESPONSE TO AGENDA ITEM 4 AND 5 AND TO PROPOSED LOAN AMENDMENT IN ITEM 7, ABOVE. (HEALTH & SAFETY CODE 125290.30(F) (3) (B) AND (C)).

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NOVEMBER 12, 2020; 10 A.M.

CHAIRMAN THOMAS: THANKS VERY MUCH. WOULD LIKE TO CALL THE MEETING TO ORDER OF THE ICOC AND APPLICATION REVIEW SUBCOMMITTEE FOR NOVEMBER 12TH, 2020. THIS IS OUR FIRST MEETING SINCE THE FLURRY OF MANY MEETINGS WE HAD OVER THE SUMMER, WHICH WERE, I THINK, VERY SUCCESSFUL, BUT WERE DONE AT A TIME OF SOME UNCERTAINTY. AND SO THIS IS CERTAINLY A DIFFERENT TIME WHICH WE'LL GET TO IN ONE SECOND, BUT I'D LIKE TO HAVE MARIA CALL THE ROLL.

MS. BONNEVILLE: DAN BERNAL.

MR. BERNAL: PRESENT.

MS. BONNEVILLE: GEORGE BLUMENTHAL.

DR. BLUMENTHAL: HERE.

MS. BONNEVILLE: LINDA BOXER. JIM KOVACH.

DR. KOVACH: HERE.

MS. BONNEVILLE: DEBORAH DEAS.

DR. DEAS: HERE.

MS. BONNEVILLE: ANNE-MARIE DULIEGE.

DR. DULIEGE: HERE.

MS. BONNEVILLE: YSABEL DURON.

MS. DURON: HERE.

MS. BONNEVILLE: JUDY GASSON.

DR. GASSON: HERE.

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1 MS. BONNEVILLE: DAVID HIGGINS.
2 DR. HIGGINS: HERE.
3 MS. BONNEVILLE: STEPHEN JUELSGAARD.
4 MR. JUELSGAARD: PRESENT.
5 MS. BONNEVILLE: LINDA MALKAS. DAVE
6 MARTIN.
7 DR. MARTIN: HERE.
8 MS. BONNEVILLE: SHLOMO MELMED.
9 DR. MELMED: HERE.
10 MS. BONNEVILLE: LAUREN ROGEN.
11 MS. ROGEN: HERE.
12 MS. BONNEVILLE: ADRIANA PADILLA.
13 DR. PADILLA: HERE.
14 MS. BONNEVILLE: JOE PANETTA. FRANCISCO
15 PRIETO.
16 DR. PRIETO: HERE.
17 MS. BONNEVILLE: ROBERT QUINT. AL
18 ROWLETT.
19 MR. ROWLETT: HERE.
20 MS. BONNEVILLE: SUZANNE SANDMEYER.
21 DR. SANDMEYER: HERE.
22 MS. BONNEVILLE: OS STEWARD.
23 DR. STEWARD: HERE.
24 MS. BONNEVILLE: JONATHAN THOMAS.
25 CHAIRMAN THOMAS: HERE.

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1 MS. BONNEVILLE: ART TORRES.

2 MR. TORRES: HERE.

3 MS. BONNEVILLE: KRISTINA VUORI.

4 DR. VUORI: HERE.

5 MS. BONNEVILLE: DIANE WINOKUR.

6 MS. WINOKUR: HERE.

7 MS. BONNEVILLE: KEITH YAMAMOTO.

8 DR. YAMAMOTO: HERE.

9 MS. BONNEVILLE: DOUG ZIEDONIS.

10 DR. ZIEDONIS: HERE.

11 MS. BONNEVILLE: WE HAVE A QUORUM, J.T.

12 CHAIRMAN THOMAS: THANK YOU, MARIA. WOULD
13 LIKE TO START BY IT'S A GREAT PLEASURE TO INTRODUCE
14 DAN BERNAL WHO IS OUR NEWEST MEMBER OF THE BOARD.
15 HE COMES TO US THROUGH NANCY PELOSI'S OFFICE. AND I
16 WOULD LIKE TO TURN IT OVER, AS IS CUSTOMARY, TO DAN
17 TO GIVE A FEW INTRODUCTORY REMARKS TO THE BOARD
18 BEFORE WE GET STARTED HERE.

19 MR. TORRES: WELL, HE DOESN'T JUST COME
20 FROM NANCY PELOSI'S OFFICE. HE IS THE LONG-STANDING
21 CHIEF OF STAFF TO OUR SPEAKER.

22 CHAIRMAN THOMAS: THANK YOU, ART.

23 MR. BERNAL: THANK YOU, CHAIRMAN THOMAS
24 AND VICE CHAIR TORRES. IT'S AN HONOR TO BE IN SUCH
25 ESTEEMED COMPANY TODAY. BY WAY OF INTRODUCTION, MY

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1 NAME IS DAN BERNAL. AS CHAIRMAN THOMAS HAD
2 MENTIONED AND VICE CHAIR TORRES, I'M SPEAKER NANCY
3 PELOSI'S CHIEF OF STAFF HERE IN SAN FRANCISCO, HAVE
4 BEEN SO FOR 19 YEARS NOW, AND I'M ALSO PRESIDENT OF
5 THE SAN FRANCISCO HEALTH COMMISSION. I'VE ALSO
6 SERVED AS A BOARD MEMBER AND VOLUNTEER FOR A NUMBER
7 OF HIV/AIDS ADVOCACY AND SERVICE ORGANIZATIONS.

8 I'M SO GRATEFUL FOR THE OPPORTUNITY TO BE
9 HERE TO CONTRIBUTE TO THE WORK OF THE CALIFORNIA
10 INSTITUTE FOR REGENERATIVE MEDICINE AND TO DO SO ON
11 BEHALF OF HIV/AIDS PATIENTS AND ADVOCATES. AS
12 SOMEONE WHO HAS BEEN LIVING WITH HIV FOR 30 YEARS,
13 SINCE I WAS 19 AND BEFORE THE INTRODUCTION OF
14 PROTEASE INHIBITORS, I KNOW FIRSTHAND THE IMPACT OF
15 MEDICAL RESEARCH TO DISCOVER LIFESAVING TREATMENTS.

16 AND, AGAIN, AM SO GRATEFUL FOR THE
17 OPPORTUNITY TO BE HERE TO CONTRIBUTE TO THE WORK TO
18 HELP ENSURE THE ACCESSIBILITY AND AFFORDABILITY OF
19 TREATMENTS THAT ARE DISCOVERED THROUGH THIS CRITICAL
20 WORK AND TO ENSURE THAT THIS WORK CONTINUES AS WE
21 ARE ALL ALSO DEALING WITH WORKING WITHIN THE CONTEXT
22 OF A GLOBAL PANDEMIC. A SPECIFIC THANK YOU TO
23 CHAIRMAN THOMAS FOR WELCOMING ME, TO VICE CHAIR ART
24 TORRES FOR THE RECOMMENDATION TO STATE SENATE
25 PRESIDENT PRO TEM TONI ATKINS FOR THE FAITH SHE

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1 PLACED IN ME TO APPOINT ME, TO MY PREDECESSOR JEFF
2 SHEEHY FOR HIS LEADERSHIP AND EXAMPLE, TO THE PEOPLE
3 OF CALIFORNIA FOR THEIR WISDOM IN, AS IT APPEARS,
4 PASSING PROPOSITION 14, AND, OF COURSE, TO MARIA
5 BONNEVILLE FOR HER KINDNESS AND HER GUIDANCE IN
6 HELPING WITH MY ORIENTATION TO THE COMMITTEE. AND
7 I'M GRATEFUL TO YOU ALL AND LOOK FORWARD TO WORKING
8 WITH YOU. THANK YOU.

9 CHAIRMAN THOMAS: THANK YOU VERY MUCH,
10 DAN. WE'RE DELIGHTED TO HAVE YOU ON BOARD AND LOOK
11 FORWARD TO WORKING WITH YOU AS WE EMBARK ON CIRM'S
12 NEXT PHASE. WHICH LEADS INTO, OBVIOUSLY, SINCE OUR
13 LAST MEETING THERE WAS AN EVENT OF GREAT CONSEQUENCE
14 TO US, WHICH IS STILL A WORK IN PROGRESS, BUT I
15 WANTED TO TURN IT OVER TO SENATOR TORRES JUST TO SAY
16 A FEW WORDS ABOUT PROPOSITION 14. SENATOR.

17 MR. TORRES: YES. THANK YOU VERY MUCH,
18 MR. CHAIRMAN. AND WELCOME TO THE BOARD, DAN. I
19 LOOK FORWARD TO WORKING WITH YOU. AND I THINK YOU
20 AND FRANCISCO ARE THE ONLY CHARITY BICYCLE EVENTS I
21 HAVE CONTRIBUTED MORE TO OVER THE YEARS, YOU FOR
22 AIDS AND FRANCISCO FOR DIABETES. THANK YOU BOTH FOR
23 DOING THAT BECAUSE IT'S A TREMENDOUS CHARITABLE
24 ORGANIZATION.

25 THE INITIATIVE THAT IS NOW BEING COUNTED,

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1 THE FINAL -- NOT THE FINAL NUMBER, BUT THE CURRENT
2 NUMBERS ARE 7,912,713 VOTES IN FAVOR WITH 7,573,213
3 OPPOSED. SO WE ARE NOW AT 51 VERSUS 49 PERCENT. WE
4 ONLY NEED 50 PERCENT OF THOSE PEOPLE WHO VOTED FOR
5 THE INITIATIVE YES OR NO PLUS ONE VOTE. SO WE ARE
6 CLEARLY WITHIN THE MARGIN. ALL OF OUR NUMBERS SO
7 FAR INDICATE THAT WE WILL PREVAIL, BUT WE ARE NOT
8 CLAIMING THAT THE ELECTION IS OVER AND WAITING FOR
9 THE ASSOCIATED PRESS TO CALL THE ELECTION. THEY
10 HAVE DONE SO ON PROPOSITION 15 AND PROPOSITION 19,
11 BUT HAVE YET TO DO SO ON PROPOSITION 14.

12 SO WE ARE CURRENTLY SITTING WITH ABOUT A
13 340,000 VOTE MARGIN, AND WE ARE AWAITING COUNTIES TO
14 STILL COME IN. AS YOU KNOW, THE SECRETARY OF STATE
15 DOESN'T ACTUALLY COUNT THE VOTES. HE HAS TO RELY ON
16 EACH OF THE COUNTIES TO SUPPLY THEIR VOTES. AND
17 DEPENDING ON A COUNTY, IT'S BEEN VERY DIFFICULT IN
18 THIS PANDEMIC, ESPECIALLY WHEN COUNTIES THAT DON'T
19 HAVE ENOUGH SPACE OR FACILITIES THAT HAD TO GRAPPLE
20 WITH SPACE RESTRICTIONS AND TO GRAPPLE WITH OTHER
21 KINDS OF SECURITY ISSUES, AND ACTUALLY COUNTING THE
22 BALLOTS HAS BEEN A LONG, ARDUOUS PROCESS. SOME
23 COUNTIES QUICKLY FINISHED, OBVIOUSLY BOTH AMADOR AND
24 MODOC AND SOME OF THOSE SMALLER COUNTIES, BUT WE'RE
25 STILL WAITING TO HEAR RESULTS FROM L.A., SAN

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1 BERNARDINO, RIVERSIDE. BUT AS WE'VE DONE THE
2 NUMBERS, MOST OF THE COUNTIES THAT ARE STILL
3 OUTSTANDING ARE COUNTIES THAT SUPPORTED THE
4 INITIATIVE WELL ABOVE THE 50-PERCENT MARK.

5 SO I THINK THAT, HOPEFULLY, THE AP WILL BE
6 ABLE TO GET ENOUGH VOTES FOR THEM TO CALL IT BY THE
7 END OF FRIDAY, TOMORROW. IF NOT, WE MAY HAVE TO
8 WAIT UNTIL MONDAY TO DECLARE ABSOLUTE VICTORY.

9 CHAIRMAN THOMAS: MORE DISCUSSION ON THAT
10 TOPIC AT OUR DECEMBER BOARD MEETING, BUT WE AWAIT
11 THE FINAL WORD, AS THE SENATOR SAYS, IN THE NEXT
12 COUPLE OF DAYS HERE.

13 BEFORE WE GET TO THE ACTION ITEMS, I
14 WOULD, OF COURSE, BE REMISS IF I DIDN'T MENTION
15 ANOTHER EVENT OF GREAT SIGNIFICANCE, WHICH I'VE BEEN
16 WAITING FOR EIGHT YEARS TO SAY, WHICH IS THE DODGERS
17 WON THE WORLD SERIES. THANK YOU VERY MUCH, STEVE
18 AND AL, FOR YOUR CONGRATULATIONS. I APPRECIATE IT.

19 OKAY. ON TO THE ACTION ITEMS.

20 MR. TORRES: JUST NOTED THE L.A. HAT
21 BEHIND J.T.'S HEAD.

22 CHAIRMAN THOMAS: PROP. THANK YOU.

23 DR. DURON: YOU AND MY SISTER HAVE COME
24 OUT OF THE DESERT, J.T.

25 CHAIRMAN THOMAS: MARIA BONNEVILLE IS A

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1 BIG FAN ALSO, BUT SHE DOESN'T WANT TO SPEAK UP.

2 WANTS ME TO BE SORT OF HANGING OUT THERE.

3 MS. BONNEVILLE: I JUST WANT TO LET YOU
4 HAVE ALL THE GLORY. IT'S OKAY. I'M OKAY. I'M OKAY
5 WITH IT. NO WORRIES.

6 DR. VUORI: GO PADRES.

7 CHAIRMAN THOMAS: KRISTINA WEIGHING IN.

8 MR. ROWLETT: I THINK OUR PRESIDENT IS
9 SPENDING TOO MUCH TIME IN VIRTUAL LAND.

10 MR. PANETTA: WATCH OUT NEXT YEAR, J.T.
11 WATCH OUT.

12 CHAIRMAN THOMAS: WEIGHING IN NOW. THIS
13 IS GOOD. WE SHALL SEE. OKAY.

14 ON TO THE ACTION ITEMS. ITEM 3,
15 CONSIDERATION OF ALLOCATION OF RETURNED RESEARCH
16 FUNDS FOR ANY CIRM FUNDING PROGRAM AT THE DISCRETION
17 OF THE APPLICATION REVIEW SUBCOMMITTEE. I'M GOING
18 TO HAVE A PRESENTATION FROM DR. SAMBRANO.

19 MS. BONNEVILLE: ACTUALLY IT'S FROM
20 JENNIFER LEWIS.

21 CHAIRMAN THOMAS: JENNIFER.

22 DR. DULIEGE: J.T., WHILE WE'RE WAITING, I
23 DON'T KNOW, ART, IF YOU MENTIONED THIS, BUT HOW LONG
24 DO YOU THINK WE'LL HAVE TO WAIT UNTIL WE HAVE
25 DEFINITIVE ANSWERS FOR THE PROP 14 VOTES?

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1 MR. TORRES: AS EARLY AS TOMORROW AFTER 5
2 O'CLOCK. USUALLY THE RETURNS COME IN AFTER 4:30 OR
3 SO. BUT, AGAIN, IT'S SO DEPENDENT ON THE COUNTIES
4 AND HOW QUICKLY THEY PROVIDE THE RESULTS TO THE
5 SECRETARY OF STATE. MY HOPE IS BY THE END OF
6 FRIDAY, BUT IT COULD BE AS LONG AS TILL MONDAY.

7 DR. HIGGINS: ART, IS ANYBODY CHALLENGING
8 THE OUTCOME?

9 MR. TORRES: NO. I'VE NOT HEARD EITHER A
10 BOARD MEMBER OR ANYBODY ELSE ON THE OUTSIDE WILLING
11 TO CHALLENGE. AND LET THEM DO IT BECAUSE IF THEY
12 WANT A RECOUNT, THEY HAVE TO PAY FOR IT, AND THAT'S
13 IN THE MILLIONS OF DOLLARS.

14 MS. BONNEVILLE: I'M GOING TO SHARE MY
15 SCREEN. DOUG'S APPLICATION FROZE, SO JUST ONE
16 SECOND. WE LOVE ZOOM. LET ME SHARE MY SCREEN NOW.

17 MS. LEWIS: THANK YOU, MARIA. THANK YOU,
18 J.T. GOOD MORNING, MEMBERS OF THE BOARD AND THE
19 PUBLIC.

20 AS J.T. MENTIONED, I WILL BE PROVIDING AN
21 UPDATE ON THE AVAILABLE RESEARCH FUNDS TO DATE. SO
22 AS YOU CAN SEE HERE, THIS SLIDE SHOWS THE PROGRAMS
23 AND REMAINING FUNDS AVAILABLE FOR NEW AWARDS. THE
24 FIRST COLUMN DISPLAYS THE AMOUNT ALLOCATED BY THE
25 BOARD EARLIER THIS YEAR. AS YOU RECALL, AT THE JUNE

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1 26TH MEETING, THE ICOC ALLOCATED \$2 MILLION OF
2 RECOVERED FUNDS TO THE DISC2 QUEST PROGRAM AND
3 APPROVED THAT ALL REMAINING RECOVERED FUNDS BE
4 ALLOCATED TO THE CLIN2 PROGRAM. TO DATE THERE'S
5 30.9 MILLION AVAILABLE FOR CLIN2 AWARDS FROM THE
6 RECOVERED FUNDS.

7 ADDITIONALLY, THERE IS 27.7 MILLION
8 REMAINING OF THE 30 MILLION THAT WAS ALLOCATED BY
9 THE BOARD FOR THE CURE SICKLE CELL CLIN PROGRAM THAT
10 WE HAVE IN PARTNERSHIP WITH NHLBI AND 1.84 MILLION
11 ALLOCATED TO PROGRESSION AWARDS, WHICH LEAVES A
12 TOTAL OF 62.5 MILLION AVAILABLE.

13 IN THE SECOND COLUMN YOU WILL SEE THE
14 REMAINING FUNDS AS OF TODAY. AT THE JULY 24TH ICOC
15 MEETING, THE BOARD ALLOCATED ABOUT \$200,000 FROM THE
16 DISC2 BUDGET TO FUND DISC2 STAGE COVID AWARDS. THIS
17 LEAVES 1.82 MILLION AVAILABLE TODAY FOR AWARDS. AS
18 MENTIONED, THERE IS 30.9 MILLION AVAILABLE IN CLIN2
19 ALONG WITH 25.7 MILLION IN THE CLIN CURE SICKLE CELL
20 PROGRAM, AND 350,000 REMAINING IN PROGRESSION AWARDS
21 FOR A TOTAL OF 59 MILLION REMAINING IN THE RESEARCH
22 BUDGET.

23 TODAY DR. GIL SAMBRANO WILL PRESENT TO YOU
24 THE GWG RECOMMENDED AWARDS FOR THE DISC2 AND CLIN2
25 REVIEWS. IN ORDER TO PROVIDE THE BOARD WITH MAXIMUM

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1 FLEXIBILITY WITH THE REMAINING RESEARCH FUNDS, THE
2 CIRM TEAM IS REQUESTING THAT ALL RETURNED FUNDS
3 CURRENTLY ASSIGNED TO THE DISC2 AND CLIN2 PROGRAMS
4 BELOW BE COMBINED AND USED AT THE DISCRETION OF THE
5 APPLICATION REVIEW SUBCOMMITTEE.

6 J.T., THAT CONCLUDES MY UPDATE, AND I CAN
7 TAKE ANY QUESTIONS THAT THE BOARD MAY HAVE.

8 CHAIRMAN THOMAS: OKAY. SO THANK YOU,
9 JENN. THIS, BY THE WAY, BECAUSE THIS IS DEALING
10 WITH ALLOCATING FUNDS IN GENERAL, IS THIS A
11 DISCUSSION AND DECISION ITEM FOR THE FULL BOARD
12 BEFORE WE GO INTO THE APPLICATION REVIEW
13 SUBCOMMITTEE TO CONSIDER THE INDIVIDUAL GRANT
14 RECOMMENDATIONS. SO ARE THERE ANY QUESTIONS FOR
15 JENN ABOUT THIS ITEM? OKAY. HEARING NONE, DO WE
16 HAVE A MOTION TO APPROVE?

17 DR. VUORI: MOTION FOR APPROVAL.

18 MS. BONNEVILLE: KRISTINA, YOU CANNOT MAKE
19 THAT MOTION.

20 DR. DULIEGE: I CAN.

21 MS. BONNEVILLE: ANNE-MARIE CAN, YES.

22 DR. HIGGINS: I'LL MOVE OR I'LL SECOND,
23 EITHER ONE.

24 MS. BONNEVILLE: HOW ABOUT, DAVID, WE'LL
25 PUT YOU AS MOVE AND ANNE-MARIE THE SECOND? DOES

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1 THAT WORK? GREAT. THANK YOU.

2 CHAIRMAN THOMAS: DO WE HAVE ANY COMMENTS
3 BY MEMBERS OF THE PUBLIC? HEARING NONE, MARIA WILL
4 YOU PLEASE CALL THE ROLL.

5 MS. BONNEVILLE: DAN BERNAL.

6 MR. BERNAL: YES.

7 MS. BONNEVILLE: GEORGE BLUMENTHAL.

8 DR. BLUMENTHAL: YES.

9 MS. BONNEVILLE: DEBORAH DEAS.

10 DR. DEAS: YES.

11 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

12 DR. DULIEGE: YES.

13 MS. BONNEVILLE: DAVID HIGGINS.

14 DR. HIGGINS: YES.

15 MS. BONNEVILLE: STEPHEN JUELSGAARD.

16 MR. JUELSGAARD: YES.

17 MS. BONNEVILLE: DAVE MARTIN.

18 DR. MARTIN: YES.

19 MS. BONNEVILLE: LAUREN ROGEN.

20 MS. ROGEN: YES.

21 MS. BONNEVILLE: ADRIANA PADILLA.

22 DR. PADILLA: YES.

23 MS. BONNEVILLE: JOE PANETTA.

24 MR. PANETTA: YES.

25 MS. BONNEVILLE: FRANCISCO PRIETO.

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DR. PRIETO: AYE.

MS. BONNEVILLE: ROBERT QUINT. AL
ROWLETT.

MR. ROWLETT: YES.

MS. BONNEVILLE: JONATHAN THOMAS.

CHAIRMAN THOMAS: YES.

MS. BONNEVILLE: DIANE WINOKUR.

MS. WINOKUR: YES.

MS. BONNEVILLE: MOTION CARRIES.

MS. DURON: MARIA, IS THERE A REASON WHY
YOU DIDN'T CALL ME?

MS. BONNEVILLE: YES. THOSE WHO HAVE A
CONFLICT CANNOT VOTE IN THIS.

DR. DURON: OKAY. THANK YOU.

CHAIRMAN THOMAS: OKAY. THANK YOU.

ON TO ITEM NO. 4. WHEN WE GET INTO ITEMS
4 AND 5, YOU WILL SEE A BIT MORE OF THE REASONING
BEHIND WHAT WE JUST APPROVED. WE NOW ARE GOING TO
BE GOING INTO THE APPLICATION REVIEW SUBCOMMITTEE
WHICH I'M GOING TO LEAD TODAY. ITEM NO. 4 ON THE
AGENDA IS CONSIDERATION OF APPLICATIONS SUBMITTED IN
RESPONSE TO PARTNERING OPPORTUNITY FOR THE QUEST
AWARDS. START WITH A PRESENTATION FROM DR.
SAMBRANO.

DR. SAMBRANO: THANK YOU. GOOD MORNING,

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1 EVERYONE. I'M GOING TO SHARE MY SCREEN AND PUT THIS
2 PRESENTATION UP. HOPEFULLY AS IT COMES UP YOU CAN
3 SEE IT. OKAY. SO IF YOU CAN'T SEE IT, LET US KNOW.

4 WE HAVE A LOT OF APPLICATIONS AND PROGRAMS
5 THAT I'M GOING TO TAKE YOU THROUGH, SO I'LL DO MY
6 BEST TO GUIDE YOU THROUGH THIS. THE FIRST ONE, AS
7 MENTIONED, IS THE DISC2 QUEST PROGRAM, SO I WILL
8 INTRODUCE THAT BEFORE GETTING INTO THE SPECIFIC
9 APPLICATIONS.

10 SO THE CIRM QUEST PROGRAM IS ONE OF OUR
11 EARLIEST FUNDING OPPORTUNITIES TO SUPPORT RESEARCH.
12 THE IDEA BEHIND THIS PROGRAM IS TO SUPPORT AND
13 PROMOTE THE DISCOVERY OF PROMISING NEW STEM
14 CELL-BASED TECHNOLOGIES AND IDEAS THAT COULD BE
15 TRANSLATED INTO THE CLINIC AND/OR FOR BROAD USE.

16 WE ARE LOOKING FOR PROJECTS HERE THAT CAN
17 DEVELOP A NOVEL CANDIDATE PRODUCT THAT WOULD BE
18 READY FOR TRANSLATION WITHIN ONE YEAR, AND WE ARE
19 PROVIDING UP TO 250,000. AND SO I WILL NOTE THAT
20 THIS IS MUCH LESS TIME AND MUCH LESS IN TERMS OF
21 FUNDS THAN THE QUEST PROGRAM HAS NORMALLY PROVIDED
22 IN THE PAST. THESE ADJUSTMENTS WERE MADE DURING THE
23 COURSE OF THE YEAR IN ORDER TO MAKE THE MOST USE OF
24 THE FUNDS THAT REMAIN. AND SO THE PARAMETERS THAT
25 APPLICANTS HAD WAS ONE YEAR FOR 250.

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1 SO WHAT THAT MEANS IS MOST OF THE PROJECTS
2 THAT ARE COMING IN ARE GOING TO BE A LITTLE BIT MORE
3 ADVANCED AND CLOSER TO THE END GOAL THAN IN THE
4 PAST. SO IN MANY WAYS IT WAS A COMPETITIVE AND
5 DIFFICULT CHALLENGE FOR MANY APPLICANTS.

6 NOW, THE PRODUCT TYPE THAT WOULD BE
7 DEVELOPED WITH THE DISC2 OPPORTUNITY CAN VARY. IT
8 CAN BE A THERAPEUTIC, IT CAN BE A DIAGNOSTIC, A
9 MEDICAL DEVICE, OR A TOOL. AND THAT PRODUCT TYPE
10 DETERMINES THE SPECIFIC OUTCOMES THAT WOULD BE
11 EXPECTED. AND, OF COURSE, THAT WAS CONSIDERED BY
12 THE GRANTS WORKING GROUP IN THEIR REVIEW OF THOSE
13 APPLICATIONS.

14 AND THIS DIAGRAM SHOWN HERE IS JUST SIMPLY
15 TO SHOW YOU WHERE IT SITS AMONG OUR ONGOING FUNDING
16 OPPORTUNITIES WITH THE DISCOVERY BEING THE EARLIEST
17 OF THOSE AND IN THIS CASE THE QUEST OPPORTUNITY
18 BEING THE PRELUDE TO TRANSLATIONAL ACTIVITIES THAT
19 WOULD BE SUPPORTED BY THE TRAN PROGRAM.

20 SO THE REVIEW CRITERIA THAT ARE UTILIZED
21 BY THE GRANTS WORKING GROUP TO ASSESS MERIT FOR
22 THESE APPLICATIONS BOIL DOWN TO THESE FOUR
23 QUESTIONS. DOES THE PROJECT HOLD THE NECESSARY
24 SIGNIFICANCE AND POTENTIAL FOR IMPACT? MEANING WHAT
25 KIND OF VALUE DOES IT OFFER AND IS IT SOMETHING THAT

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1 IS WORTH DOING? WHETHER THE RATIONALE IS SOUND,
2 WHETHER THE PROJECT IS WELL-PLANNED AND DESIGNED,
3 AND IF THE PROJECT IS FEASIBLE, INCLUDING HAVE THE
4 APPROPRIATE TEAM QUALIFICATIONS AND ALL THE
5 INFRASTRUCTURE AND RESOURCES TO CARRY OUT THE
6 PROJECT.

7 ONE OF THE ADDITIONAL ELEMENTS THAT WE
8 HAVE ADDED IS ADDRESSING THE NEEDS OF THE
9 UNDERSERVED. THIS IS SOMETHING THAT, OVER THE
10 COURSE OF OUR COVID PROGRAM, WE REALIZED THERE'S A
11 DISPROPORTIONATE IMPACT ON MINORITY AND UNDERSERVED
12 COMMUNITIES IN CALIFORNIA AND THE NATION FOR COVID,
13 BUT THAT IS ALSO TRUE FOR MANY OTHER DISEASES AS
14 WELL. AND SO THIS IS SOMETHING THAT WE HAVE NOW
15 BROADLY INCORPORATED WITHIN OUR APPLICATION AND OUR
16 EVALUATION PROCESS.

17 SO FOR CLINICAL TRIAL PROJECTS, FOR
18 EXAMPLE, WE REQUIRE THAT APPLICANTS INCLUDE A PLAN
19 FOR OUTREACH AND INCLUSION OF MINORITY AND
20 UNDERSERVED POPULATIONS WITHIN THEIR STUDIES. AND
21 THEN FOR ALL OTHER APPLICATIONS, HOW IT IS THAT
22 THEIR OVERALL STUDY PLAN AND DESIGN HAS CONSIDERED
23 THAT DISPROPORTIONATE IMPACT ON THE TARGETED
24 DISEASE. SO THIS IS SOMETHING THAT IS NOW INCLUDED
25 IN THE EVALUATION.

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1 SO THE SCORING SYSTEM THAT'S USED FOR THE
2 DISCOVERY QUEST PROGRAM IS ON A SCALE OF ONE TO A
3 HUNDRED WITH A HUNDRED BEING THE BEST POSSIBLE
4 SCORE. SCORES RANGING BETWEEN 85 AND A HUNDRED
5 MEANS THAT THE GRANTS WORKING GROUP IS RECOMMENDING
6 THOSE APPLICATIONS FOR FUNDING. ANYTHING BELOW 85
7 MEANS THAT THEY ARE NOT RECOMMENDING IT.

8 SO THIS TABLE JUST PRESENTS A SUMMARY OF
9 THE APPLICATIONS THAT WERE REVIEWED JUST IN TOTAL.
10 THERE WERE 32 APPLICATIONS, TEN RECEIVED A SCORE OF
11 85 OR ABOVE, WHICH RECOMMENDS THEM TO YOU FOR
12 CONSIDERATION FOR FUNDING. THE TOTAL APPLICANT
13 REQUEST FOR THIS IS ABOUT 2.5 MILLION FOR THESE TEN
14 APPLICATIONS.

15 AND SO LET ME THEN SHOW THE SPECIFIC
16 APPLICATIONS. I'M GOING TO SHARE THE SPREADSHEET.
17 GIVE ME A SECOND. HOPEFULLY YOU CAN SEE THE
18 SPREADSHEET. WHAT THIS SHOWS -- AND YOU HAVE A COPY
19 OF THIS AMONG YOUR MATERIALS AS A COVER SHEET TO ALL
20 THE DIFFERENT SUMMARIES FOR THE 32 PROJECTS THAT
21 WERE SUBMITTED. SO THE GREEN HERE SHOWS ALL THE
22 APPLICATIONS THAT WERE RECOMMENDED FOR FUNDING WHICH
23 SHOW A SCORE OF 85 OR ABOVE.

24 JUST IN GENERAL, WE HAVE PROJECTS THAT
25 ADDRESS MANY DISEASE AREAS, INCLUDING CONTINUATION

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1 OF COVID-19. THERE ARE TWO COVID-19 PROPOSALS THAT
2 ARE RECOMMENDED, ONE FOR TRAUMATIC BRAIN INJURY,
3 WHITE MATTER STROKE, ALS, DIABETES, OVARIAN CANCER,
4 INFLAMMATORY BOWEL DISEASE, AND A COUPLE OF RARE
5 DISEASES, LEUKOENCEPHALOPATHY AND GAMMAGLOBULIN
6 ANEMIA AS WELL. SO THOSE ARE THE RECOMMENDED
7 APPLICATIONS. AND, MR. CHAIRMAN, I TURN IT BACK TO
8 YOU.

9 CHAIRMAN THOMAS: THANK YOU VERY MUCH, DR.
10 SAMBRANO. AS YOU CAN SEE, MEMBERS OF THE BOARD, THE
11 REQUESTED AMOUNT, WHICH IS JUST BELOW 2.5 MILLION,
12 EXCEEDS THE 1.8 PLUS MILLION THAT WE HAVE LEFT FROM
13 THE ALLOCATION FROM THE JULY BOARD MEETING. HENCE,
14 THE DESIRE TO INCLUDE THESE PROJECTS IN A POOL WITH
15 THE CLIN PROJECTS TO HAVE ACCESS TO A LARGER AMOUNT
16 OF FUNDING SHOULD THE BOARD DECIDE TO FUND ANYTHING
17 ABOVE AND BEYOND THE 1.8 MILLION WORTH OF PROJECTS.

18 TO START OFF HERE, ARE THERE ANY MEMBERS
19 OF THE BOARD WHO WOULD LIKE TO MOVE ANY OF THE
20 PROJECTS BELOW THOSE IN GREEN RECOMMENDED FOR
21 FUNDING UP TO THE FUNDING LEVEL FOR CONSIDERATION?
22 HEARING NONE, DO WE HAVE A MOTION TO APPROVE THE TEN
23 RECOMMENDED PROJECTS THAT DR. SAMBRANO JUST
24 PRESENTED?

25 DR. DURON: J.T., YSABEL HERE.

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1 CHAIRMAN THOMAS: YES.

2 DR. DURON: I HAVE A QUESTION. I HOPE
3 IT'S AN APPROPRIATE TIME TO ASK. I, FOR SOME REASON
4 OR ANOTHER, DID NOT DO A DEEP DIVE ON REVIEWING THE
5 REVIEWERS' COMMENTS. I WONDERED IF THERE WAS AN
6 APPROPRIATE RESPONSE TO OUR CALL TO INCLUDE A PLAN
7 FOR INCLUSION OF RACIAL/ETHNIC MINORITIES. AND I
8 ASK BECAUSE I'D LIKE TO HAVE A DISCUSSION AT SOME
9 POINT IN TIME TO SEE HOW WELL AND HOW ROBUST THE
10 RESPONSE WAS FOR OUR COVID EMERGENCY GRANTS AND
11 WHETHER OR NOT WE NEED TO DO SOMETHING MORE TO BEEF
12 UP THAT PARTICULAR REQUIREMENT TO MAKE SURE THAT THE
13 RESEARCHERS RECOGNIZE THAT WE MEAN BUSINESS AND WE
14 INTEND TO LOOK AT THAT VERY CLOSELY, AND THAT IS, IN
15 FACT, VERY IMPORTANT TO BOTH THE FUTURE OF RESEARCH
16 AS WELL AS TO THESE PARTICULARLY HIGHLY IMPACTED
17 GROUPS THAT DON'T GET REGULARLY INCLUDED IN
18 RESEARCH.

19 SO I DON'T KNOW IF MY QUESTION IS OUT OF
20 BOUNDS, BUT I THOUGHT THIS MIGHT BE THE PLACE TO ASK
21 IT.

22 CHAIRMAN THOMAS: THANK YOU, MS. DURON.
23 DR. SAMBRANO, WOULD YOU LIKE TO RESPOND TO THAT?

24 DR. SAMBRANO: SURE. HAPPY TO.

25 YES. SO THE APPLICANTS ARE RESPONDING;

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1 BUT AS YOU MIGHT EXPECT, THE RESPONSES ARE GOING TO
2 BE SOMEWHAT VARIABLE. BUT THE GRANTS WORKING GROUP
3 IS TAKING THE TASK SERIOUSLY AND INCLUDING IT WITHIN
4 THEIR EVALUATION AND THE DISCUSSION THAT THEY HAVE
5 ABOUT THE APPLICATION.

6 AND SO AMONG THE RECOMMENDED ONES, JUST AS
7 AN EXAMPLE OF WHERE IT HAS COME IN, WE HAVE ONE
8 WHICH IS THE 12170, WHICH IS FOR COVID-19, THEY ARE
9 SPECIFICALLY DESIGNING THEIR PROJECT TO INCLUDE
10 TESTING AMONG ORGANIDS FROM AFRICAN-AMERICAN,
11 LATINO, AND CAUCASIAN MEN AND WOMEN TO ENSURE THAT
12 THEY ARE GETTING A BROAD SCOPE VIEW OF EFFECTIVENESS
13 OF INHIBITORS AGAINST COVID-19 THAT COULD IMPACT A
14 BROAD POPULATION. SO THAT DISCUSSION FOR ALL OF
15 THESE APPLICATIONS IS DONE WITHIN THE PROPOSAL. SO
16 EVERYONE IS ASKED TO ADDRESS IT, AND IT IS
17 CONSIDERED. SO THANK YOU FOR YOUR QUESTION.

18 DR. DURON: MAY I FOLLOW UP, MR. CHAIRMAN?

19 CHAIRMAN THOMAS: CERTAINLY.

20 DR. DURON: SO, GIL, THEY ARE RESPONDING,
21 BUT I THINK MY GOAL IS THAT EVERYBODY RESPONDS
22 APPROPRIATELY AND PREPARES A PLAN THAT WE FEEL MEETS
23 THE STANDARDS AND GOALS THAT WE REALLY WANT TO
24 ACHIEVE BY INCLUDING THIS PARTICULAR REQUEST IN THE
25 APPLICATION. DO WE HAVE ULTIMATELY A PLAN TO

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1 MEASURE THAT, IN FACT, IT IS MEETING OUR GOALS AND
2 STANDARDS, OR IS THAT SOMETHING PERHAPS THAT WE NEED
3 TO TALK TO THE GRANTS REVIEW COMMITTEE ABOUT? I
4 WOULD APPRECIATE SOME GUIDANCE.

5 DR. SAMBRANO: SURE. I THINK IT IS
6 SOMETHING THAT WE NEED TO LOOK AT AND DISCUSS, AND
7 PERHAPS IT IS SOMETHING THAT, BASED ON
8 RECOMMENDATIONS FROM YOU AND OTHER BOARD MEMBERS,
9 WHETHER THIS IS SOMETHING THAT WE CAN TAKE UP AS
10 PART OF BOARD DISCUSSION OR A SUBCOMMITTEE WHERE WE
11 CAN KIND OF GENERALLY PRESENT WHAT WE HAVE GOTTEN
12 AND WHAT IT IS THAT WE WOULD LIKE IN TERMS OF A
13 TARGET FOR THE DIFFERENT STAGES OF RESEARCH.

14 BECAUSE THERE ARE CERTAINLY SOME
15 CHALLENGES, ESPECIALLY THE VERY EARLY RESEARCH
16 OPPORTUNITIES, WHERE THE RESEARCH IS SO BASIC AND
17 THEY'RE STARTING OFF WITH SOMETHING THAT IS
18 GENERALLY VERY BROADLY APPLICABLE AND DON'T YET HAVE
19 ENOUGH TO WORK WITH IN ORDER TO KNOW WHETHER IT'S
20 GOING TO IMPACT A BROAD POPULATION. BUT WE DO WANT
21 THEM EVEN AT THAT EARLY STAGE TO BE THINKING ABOUT
22 IT. BUT, AGAIN, EXACTLY WHAT A GOOD RESPONSE WOULD
23 LOOK LIKE, I THINK WE WOULD NEED TO TALK MORE ABOUT
24 IT.

25 DR. MARTIN: I WOULD SAY THAT,

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1 IMPORTANTLY, WE WOULD LIKE TO KNOW WHAT PARAMETERS
2 WE COULD USE TO MEASURE SUCH AS THAT. AND AS YOU
3 SAID, GIL, IT'S GOING TO BE DIFFERENT AT EACH LEVEL
4 OF STUDY.

5 DR. HIGGINS: IS THAT SOMETHING -- TO YOUR
6 POINT, DAVE, IS THAT SOMETHING YOU'RE GOING TO ASK
7 YSABEL TO PRODUCE OR PUBLISH? SHE ALREADY HAS
8 SOMETHING LIKE THAT AS A BOILERPLATE, OR IS THAT
9 SOMETHING WE NEED TO CREATE FROM SCRATCH?

10 DR. DURON: DAVID, YOU SLY DEVIL. I DON'T
11 HAVE A BOILERPLATE, JUST SOMETHING THAT I THINK WE
12 SHOULD HAVE A BOILERPLATE.

13 DR. HIGGINS: IT'S ACTUALLY MORE FUN THAT
14 WAY. I'D BE HAPPY TO HELP.

15 DR. DURON: LET'S SEE HOW THE COOKIE
16 CRUMBLES GOING FORWARD.

17 CHAIRMAN THOMAS: THANK YOU FOR RAISING
18 THIS POINT, AS ALWAYS, MS. DURON. I THINK THIS WILL
19 BE A TOPIC FOR FURTHER DISCUSSION AS WE REFINE THIS
20 GOING FORWARD HERE ON THE ASSUMPTION, OF COURSE, NOT
21 JUST WITH RESPECT TO THESE AWARDS, BUT THAT THINGS
22 GO WELL THE NEXT FEW DAYS AND WE WILL HAVE SOMETHING
23 TO APPLY IT TO. SO THANK YOU FOR RAISING THAT.

24 ANY OTHER COMMENTS ON THAT POINT FROM
25 MEMBERS OF THE BOARD?

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1 DR. MELMED: I THINK THAT YSABEL'S COMMENT
2 IS RIGHT ON BECAUSE IF YOU LOOK AT NIH GRANTS,
3 THERE'S A BOX TO CHECK OFF WHETHER MINORITIES ARE
4 INCLUDED. AND INVESTIGATORS BELIEVE JUST BECAUSE
5 THEY CHECK YES ON THAT BOX THAT EVERYTHING ELSE WILL
6 FALL INTO PLACE. SO I THINK THIS IS A VERY, VERY
7 IMPORTANT QUESTION. JUST BY CHECKING A BOX AND
8 MAKING A STATEMENT SHOULD NOT BE TAKEN AT FACE VALUE
9 FOR GRANTEES.

10 CHAIRMAN THOMAS: OKAY. THANK YOU VERY
11 MUCH. AND PERHAPS WE COULD TAKE THIS UP AS A
12 DISCUSSION ITEM AT THE DECEMBER BOARD MEETING,
13 HAVING GIVEN IT SOME THOUGHT IN THE INTERVENING
14 WEEKS.

15 SO GOING BACK ACTUALLY FOR THIS, THE
16 MOTION THAT WOULD BE OPTIMAL HERE WOULD BE TO
17 APPROVE THOSE PROJECTS RECOMMENDED FOR FUNDING AND
18 CONFIRM THAT WE ARE NOT ELEVATING ANY PROJECTS FROM
19 BELOW THOSE TEN TO BE CONSIDERED. DO I HEAR A
20 MOTION TO THAT EFFECT?

21 DR. BLUMENTHAL: SO MOVED.

22 MS. BONNEVILLE: I'M SORRY. WHO WAS THAT?

23 DR. BLUMENTHAL: THIS IS GEORGE.

24 MS. BONNEVILLE: THANK YOU, GEORGE. YOU
25 CANNOT ACTUALLY MAKE THIS MOTION, BUT I APPRECIATE

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1 THAT YOU WANTED TO.

2 DR. DULIEGE: I CAN MAKE IT.

3 MS. BONNEVILLE: YES, YOU CERTAINLY CAN.

4 THE APPLICATION REVIEW SUBCOMMITTEE IS THE ONE THAT
5 IS CONSIDERING THESE APPLICATIONS. SO IT WOULD NEED
6 TO BE A MEMBER OF THAT COMMITTEE.

7 DR. HIGGINS: I'LL SECOND THE MOTION.

8 MS. BONNEVILLE: YOU GUYS ARE A DYNAMIC
9 DUO, TODAY. ANNE-MARIE AND DAVID.

10 DR. HIGGINS: ANNE-MARIE IS A GOOD
11 COLLABORATOR.

12 DR. DULIEGE: AGREED.

13 CHAIRMAN THOMAS: OKAY. ARE THERE ANY
14 COMMENTS FROM MEMBERS OF THE BOARD ON THIS MOTION?
15 ANY COMMENTS FROM MEMBERS OF THE PUBLIC ON THIS
16 MOTION?

17 MS. BONNEVILLE: IF MEMBERS OF THE PUBLIC
18 COULD RAISE THEIR HANDS, WE CAN TAKE THOSE IN ORDER.

19 CHAIRMAN THOMAS: DO YOU SEE ANY, MARIA?

20 MS. BONNEVILLE: I DO NOT SEE ANY.

21 CHAIRMAN THOMAS: OKAY. HEARING NONE,
22 MARIA, PLEASE CALL THE ROLL.

23 MS. BONNEVILLE: FOR THOSE OF YOU WHO ARE
24 IN CONFLICT WITH THIS AGENDA ITEM YOU CAN ANSWER YES
25 OR NO EXCEPT FOR THOSE WITH WHICH I HAVE A CONFLICT.

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1 DAN BERNAL .
2 MR. BERNAL: YES .
3 MS. BONNEVILLE: ANNE-MARIE DULIEGE .
4 DR. DULIEGE: YES .
5 MS. BONNEVILLE: YSABEL DURON .
6 MS. DURON: YES, EXCEPT FOR THOSE WITH
7 WHICH I AM CONFLICTED OR HAVE A CONFLICT .
8 MS. BONNEVILLE: DAVID HIGGINS .
9 DR. HIGGINS: YES .
10 MS. BONNEVILLE: STEVE JUELSGAARD .
11 MR. JUELSGAARD: YES .
12 MS. BONNEVILLE: DAVE MARTIN .
13 DR. MARTIN: YES .
14 MS. BONNEVILLE: LAUREN ROGEN. IS THAT A
15 YES?
16 MS. ROGEN: THAT WAS A YES .
17 MS. BONNEVILLE: ADRIANA PADILLA .
18 DR. PADILLA: YES .
19 MS. BONNEVILLE: JOE PANETTA .
20 MR. PANETTA: YES .
21 MS. BONNEVILLE: FRANCISCO PRIETO .
22 DR. PRIETO: AYE .
23 MS. BONNEVILLE: ROBERT QUINT. AL
24 ROWLETT .
25 MR. ROWLETT: YES .

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1 MS. BONNEVILLE: OS STEWARD.

2 DR. STEWARD: YES, EXCEPT FOR THOSE WITH
3 WHICH I HAVE A CONFLICT.

4 MS. BONNEVILLE: JONATHAN THOMAS.

5 CHAIRMAN THOMAS: YES.

6 MS. BONNEVILLE: ART TORRES.

7 MR. TORRES: AYE, EXCEPT FOR THOSE WITH
8 WHICH I AM CONFLICTED.

9 MS. BONNEVILLE: DIANE WINOKUR.

10 MS. WINOKUR: YES.

11 MS. BONNEVILLE: THANK YOU. THE MOTION
12 CARRIES.

13 CHAIRMAN THOMAS: THANK YOU. ON TO ITEM
14 NO. 5, CONSIDERATION OF APPLICATIONS SUBMITTED IN
15 RESPONSE TO CLINICAL TRIAL STAGE PROJECTS, CLIN1, 2,
16 OR 3. BEGIN WITH A PRESENTATION FROM DR. SAMBRANO.

17 DR. SAMBRANO: THANK YOU, MR. CHAIRMAN.
18 HOPEFULLY YOU CAN SEE THIS SLIDE PRESENTATION.

19 SO I'M GOING TO TAKE YOU THROUGH THE CLIN2
20 PROGRAM GWG RECOMMENDATIONS. SO FOR CLINICAL STAGE
21 PROGRAMS, TYPICALLY WE OFFER DIFFERENT OPPORTUNITIES
22 STARTING WITH IND-ENABLING STUDIES THROUGH PHASE 3
23 CLINICAL TRIALS. SO IN THIS CASE WE RESTRICTED THE
24 OPPORTUNITIES TO CLINICAL TRIAL PROPOSALS. SO
25 THAT'S THE CLIN2 OPPORTUNITY.

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1 THE REVIEW CRITERIA THAT IS USED FOR THE
2 CLINICAL TRIAL APPLICATIONS FOLLOWS THE SAME FOUR
3 BASIC QUESTIONS REGARDING SIGNIFICANCE AND IMPACT,
4 RATIONALE, PLAN AND DESIGN AND FEASIBILITY; BUT, OF
5 COURSE, FOR CLINICAL TRIALS THERE ARE DIFFERENT
6 ELEMENTS THAT ARE ASSESSED AS THEY RELATE TO THESE
7 QUESTIONS.

8 THE SCORING SYSTEM FOR THIS PROGRAM IS
9 ALSO A LITTLE BIT DIFFERENT. RATHER THAN THE ONE TO
10 A HUNDRED SCALE, THE CLIN PROGRAM USES A SCORE OF
11 EITHER A ONE, A TWO, OR A THREE. SO APPLICATIONS
12 THAT SCORE A ONE MEANS THAT THEY HAVE EXCEPTIONAL
13 MERIT AND WARRANT FUNDING; THOSE THAT SCORE A TWO
14 MEANS THAT THEY NEED IMPROVEMENT, DON'T WARRANT
15 FUNDING AT THIS TIME, BUT CAN BE RESUBMITTED. AND
16 SO OFTENTIMES THOSE ARE VERY QUICK TURNAROUND WHERE
17 THE APPLICANT CAN ADDRESS CONCERNS, RESUBMIT IT, THE
18 GRANTS WORKING GROUP LOOKS AT IT AGAIN AND WOULD
19 RESCORE IT. A SCORE OF THREE MEANS THAT IT'S
20 SUFFICIENTLY FLAWED THAT IT WOULD NOT WARRANT
21 FUNDING AND THE APPLICANT CAN'T RESUBMIT FOR SIX
22 MONTHS.

23 THIS TABLE JUST SUMMARIZES VERY BROADLY
24 THE NUMBER OF APPLICATIONS THAT WERE CONSIDERED AND
25 WHERE THEY LIE IN TERMS OF THEIR SCORE AND

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1 RECOMMENDATIONS. SO WE ACTUALLY HAD TWO REVIEWS,
2 ONE THAT HAPPENED IN SEPTEMBER THAT CONSIDERED A
3 SUBSET OF THESE AND THEN ONE IN OCTOBER THAT
4 CONSIDERED ANOTHER SUBSET. SO IN TOTAL WE HAD SIX
5 APPLICATIONS THAT SCORED EITHER A ONE OR A TWO.
6 THREE OF THEM ARE RECOMMENDED FOR FUNDING WITH A
7 TOTAL APPLICANT REQUEST OF ABOUT 21.6 MILLION.
8 SO OUR TEAM RECOMMENDATION IS TO FUND ALL PROJECTS
9 THAT HAVE A SCORE OF ONE.

10 SO WHAT I'M GOING TO DO AT THIS POINT IS
11 GO THROUGH EACH OF THE RECOMMENDED APPLICATIONS, SO
12 THE THREE THAT GOT A SCORE OF ONE, JUST TO GIVE YOU
13 AN OVERVIEW, AND THEN I'LL CONCLUDE WITH SHOWING YOU
14 THE SPREADSHEET AS I DID WITH THE DISCOVERY OF WHAT
15 THEY ALL LOOK LIKE AND WHERE THEY ARE IN TERMS OF
16 RANK.

17 SO THE FIRST APPLICATION THAT'S
18 RECOMMENDED IS 12095. SO THIS IS AN AUTOLOGOUS
19 GENE-CORRECTED HEMATOPOIETIC STEM CELL THERAPY FOR
20 INFANTILE MALIGNANT OSTEOPECTOSIS, WHICH IS A VERY
21 RARE DISEASE. IT IS A PHASE 1 TRIAL THAT IS
22 PROPOSED, AND THE FUNDS REQUESTED ARE ABOUT 3.7
23 MILLION, AND THE APPLICANT IS CONTRIBUTING ABOUT 1.6
24 MILLION IN CO-FUNDING.

25 JUST BACKGROUND ON THE DISEASE ITSELF. AS

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1 MENTIONED, THIS IS AN EXTREMELY RARE DISEASE WITH AN
2 INCIDENCE OF ABOUT ONE IN 250,000 LIVE BIRTHS. IT
3 IS A CONDITION THAT IS LETHAL IN YOUNG CHILDREN
4 WITHIN THE FIRST DECADE OF LIFE WHICH RESULTS FROM
5 MUTATIONS IN THE TCIRG1 GENE, WHICH IS CRITICAL FOR
6 BONE RESORPTION. SO DEFICIENCIES IN THIS LEAD TO
7 BLINDNESS, DEAFNESS, BONE MARROW FAILURE, AND
8 ULTIMATELY DEATH.

9 SO THE VALUE PROPOSITION OFFERED BY THIS
10 PROPOSED THERAPY. THE CURRENT STANDARD OF CARE IS
11 AS EARLY AS ONE CAN IDENTIFY THE DISEASE IN A CHILD
12 WHOSE ALLOGENEIC BONE MARROW TRANSPLANT. OF COURSE,
13 THIS IS ASSOCIATED WITH SIGNIFICANT MORBIDITY AND
14 MORTALITY.

15 SO THE PROPOSED THERAPY USES AN AUTOLOGOUS
16 APPROACH TAKING HEMATOPOIETIC STEM CELLS FROM THE
17 PATIENT WHICH THEN THE TCIRG1 GENE IS CORRECTED AND
18 REINTRODUCED TO OFFER POTENTIAL -- TO HALT THE
19 DISEASE PROGRESSION.

20 SO WHY IS THIS A STEM CELL PROJECT? THE
21 PROJECT INCLUDES THE USE OF HEMATOPOIETIC STEM
22 CELLS.

23 WE DON'T HAVE OTHER CIRM PROJECTS IN OUR
24 PORTFOLIO THAT ADDRESS THIS PARTICULAR DISEASE
25 INDICATION ALTHOUGH WE DO HAVE OTHERS THAT ADDRESS

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1 SIMILARLY RARE GENETIC DISEASES.

2 THIS APPLICANT HAS RECEIVED PREVIOUS CIRM
3 FUNDING FOR A CLINICAL TRIAL. AND SO THAT IS AN
4 ONGOING PROJECT THAT IS EXPECTED TO COMPLETE IN
5 2023. THAT PROPOSAL RECEIVED AN AWARD AMOUNT OF
6 ABOUT 6.5 MILLION TO ACHIEVE SEVEN MILESTONES WHICH
7 ARE STILL ONGOING AND AT LEAST LARGELY ON TIME FOR
8 THE MOST PART AT THE MOMENT.

9 THE RECOMMENDATIONS FROM THE GRANTS
10 WORKING GROUP FOR THIS PARTICULAR PROPOSAL CAME DOWN
11 TO A VOTE OF 13 MEMBERS SCORING IT A ONE. THERE WAS
12 ONE MEMBER THAT GAVE IT A SCORE OF TWO. NO ONE
13 SCORED IT A THREE. THE RECOMMENDATION HERE IS TO
14 FUND THE PROJECT FOR 3.7 MILLION.

15 SO THAT'S THE FIRST APPLICATION.

16 THE SECOND APPLICATION IS 12090. THIS IS
17 A THERAPY THAT IS AN AUTOLOGOUS DUAL CAR-T CELL
18 PRODUCT FOR HIV INFECTION. THE GOAL IS TO COMPLETE
19 A PHASE 1 TRIAL, AND THE FUNDS REQUESTED ARE 8.9
20 MILLION.

21 SO JUST FOR BACKGROUND, THERE'S
22 APPROXIMATELY 38 MILLION PEOPLE WORLDWIDE THAT ARE
23 INFECTED AND LIVING WITH HIV, AND THERE'S AN
24 ESTIMATE THAT ABOUT 1.7 MILLION ACQUIRED HIV IN
25 2019. SO THIS IS A CLEAR, ONGOING UNMET NEED. THE

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1 CURRENT STANDARD OF CARE INVOLVES ANTIRETROVIRAL
2 THERAPY OR ART, WHICH IS SUCCESSFUL IN CONTROLLING
3 HIV INFECTION, BUT IT DOES REQUIRE LIFELONG
4 ADHERENCE, AND IT IS NOT ULTIMATELY A CURE. THE
5 APPLICANTS ALSO BRING UP THE FACT THAT THERE ARE
6 MANY WHO ARE NOT ABLE TO ADHERE TO THE ART THERAPY.
7 SO THIS MAY PRESENT AN OPTION FOR THEM.

8 SO THE VALUE PROPOSITION BEYOND THAT IS
9 THAT HIV PERSISTS IN THE BODY IN LONG-LIVED CELLS
10 AND LATENT VIRAL RESERVOIR. SO THE PROPOSED THERAPY
11 OFFERS THE POTENTIAL TO EFFECTIVELY CURE PATIENTS OF
12 HIV INFECTION BY TARGETING AND KILLING THOSE HIV
13 INFECTED CELLS AND THEN JUST REMAINING WITHIN THE
14 BODY TO SIMPLY SURVEY AND KILL ANY ADDITIONAL CELLS
15 THAT WOULD THEN WIPE OUT THE RESERVOIR AS WELL.

16 WHY IS THIS A STEM CELL PROJECT? THIS
17 PROPOSAL INCLUDES T-MEMORY STEM CELLS.

18 THERE ARE OTHER PROJECTS THAT ARE SIMILAR
19 IN THAT THEY ARE ADDRESSING THE SAME INDICATION OF
20 HIV/AIDS. WITHIN OUR PORTFOLIO, WE HAVE A CLIN1
21 AWARD THAT IS ALSO DEVELOPING A CAR-T CELL PRODUCT
22 TARGET TO KILL HIV INFECTED CELLS ALTHOUGH IT'S A
23 LITTLE BIT DIFFERENT THAN THIS ONE IN TERMS OF ITS
24 VERY SPECIFIC APPROACH. WE HAVE A COUPLE OF OTHERS
25 THAT ARE ATTEMPTING TO MODIFY THE HEMATOPOIETIC STEM

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1 CELL COMPONENT IN PATIENTS TO MAKE THEM RESISTANT TO
2 HIV. AND SO WE HAVE A COUPLE OF THOSE. SO THOSE
3 ARE THE SIMILAR PROJECTS.

4 THIS PARTICULAR APPLICANT HAS NOT RECEIVED
5 PREVIOUS CIRM FUNDING. AND THE GRANTS WORKING GROUP
6 GAVE THIS A SCORE OF ONE WITH 12 MEMBERS SCORING IT
7 AS A 1, TWO MEMBERS SCORING IT AS A 2, NO ONE GIVING
8 IT A SCORE OF THREE. AND SO THE CIRM TEAM
9 RECOMMENDATION IS ALSO HERE TO FUND FOR 8.9 MILLION.

10 THE THIRD APPLICATION IS 12129. SO THIS
11 IS A PLACENTAL-DERIVED MESENCHYMAL STEM CELL THERAPY
12 FOR TREATING A SEVERE FORM OF SPINA BIFIDA, WHICH IS
13 MYELOMENINGOCELE. THE GOAL IS TO COMPLETE A PHASE 1
14 TRIAL, AND THE FUNDS REQUESTED IS 8.9 MILLION.

15 SO MYELOMENINGOCELE OR MMC IS THE MOST
16 SEVERE FORM OF SPINA BIFIDA. AND SO IT RESULTS FROM
17 INCOMPLETE CLOSURE OF THE SPINAL CORD DURING
18 GESTATION, WHICH LEAVES A PORTION OF THE SPINAL CORD
19 UNPROTECTED. AND SO DAMAGE OR TRAUMA TO THE SPINAL
20 CORD, OF COURSE, WOULD CAUSE NEURONAL TISSUE DAMAGE
21 WHICH CAN RESULT IN PARALYSIS AND BOWEL AND BLADDER
22 DYSFUNCTION.

23 AND SO THE STANDARD OF CARE FOR THIS
24 INDICATION IS IN UTERO SURGICAL REPAIR, BUT DESPITE
25 THIS 55 PERCENT OF CHILDREN ARE STILL UNABLE TO WALK

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1 INDEPENDENTLY AND HAVE BOWEL AND BLADDER
2 DISABILITIES.

3 SO THE VALUE PROPOSITION THAT THIS
4 PROPOSED THERAPY OFFERS IS THAT IT WOULD AUGMENT IN
5 UTERO REPAIR BY PROTECTING MOTOR NEURONS FROM DAMAGE
6 AND POTENTIALLY IMPROVE THE QUALITY OF LIFE FOR THE
7 AFFECTED CHILDREN.

8 WHY IS THIS A STEM CELL PROJECT? THE
9 PROJECT INCLUDES MESENCHYMAL STEM CELLS AS THE
10 THERAPY.

11 OTHER PROJECTS THAT ARE SIMILAR IN OUR
12 PORTFOLIO. WE HAVE ONE WHICH IS ACTUALLY FROM THE
13 SAME TEAM, WHICH IS BASICALLY THE PRELUDE TO THIS.
14 IT'S THE IND-ENABLING ACTIVITIES THAT HAVE ALLOWED
15 THIS APPLICATION TO COME TO US FOR A PHASE 1
16 CLINICAL TRIAL. THE TEAM ALSO RECEIVED FUNDING FOR
17 AN EVEN PREVIOUS STAGE. AND SO THERE HAVE BEEN TWO
18 PREVIOUS AWARDS THAT HAVE SUPPORTED THE DEVELOPMENT
19 OF THIS PROJECT AS SHOWN ON THIS TABLE.

20 THE RECOMMENDATIONS FROM THE GRANTS
21 WORKING GROUP ARE SHOWN HERE. THIS IS A UNANIMOUS
22 SCORE OF ONE BY 14 MEMBERS. THE CIRM TEAM
23 RECOMMENDS FUNDING AS WELL FOR THE 8.9 MILLION OF
24 THIS AWARD.

25 LET ME GO BACK. LET ME SHOW YOU THE

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1 SPREADSHEET. OKAY. SO YOU SHOULD BE ABLE TO SEE
2 NOW THE SPREADSHEET THAT SHOWS HOW WE HAD A
3 SEPTEMBER REVIEW CYCLE THAT BROUGHT THESE TWO
4 APPLICATIONS WITH A SCORE OF ONE RECOMMENDATION AND
5 THEN AN OCTOBER CYCLE WHICH BROUGHT TO US THE ONE
6 WITH A SCORE OF ONE, BUT THEN THERE ARE THREE THAT
7 RECEIVED A SCORE OF TWO. AS MENTIONED BEFORE, THOSE
8 THAT RECEIVE A SCORE OF TWO, TYPICALLY WE DON'T
9 BRING THESE TO THE BOARD BECAUSE THEY NORMALLY HAVE
10 AN OPPORTUNITY TO ADDRESS COMMENTS AND CONCERNS FROM
11 THE GWG AND RESUBMIT A RESPONSE AND REVISED
12 APPLICATION WITHIN A MONTH OR TWO. BUT SINCE WE ARE
13 IN SOMEWHAT UNCERTAIN TIMES AND DID NOT KNOW EXACTLY
14 WHERE WE WOULD BE AT THIS POINT, WE BROUGHT THESE
15 APPLICATIONS TO YOU FOR POSSIBLE CONSIDERATION. SO
16 THAT'S WHY THEY ARE INCLUDED IN THIS TABLE, ALTHOUGH
17 I HAVE NOT DISCUSSED OR GONE OVER THEM SPECIFICALLY.
18 SO I WILL THEN WITH THAT TURN THIS BACK TO YOU, MR.
19 CHAIRMAN.

20 CHAIRMAN THOMAS: THANK YOU, DR. SAMBRANO.
21 GIVEN WHERE WE ARE IN THE BALLOT COUNTING PROCESS
22 AND PER THE REPORT OF SENATOR TORRES AND WHAT
23 OPTIMISTICALLY LOOKS LIKE THE LIKELIHOOD THAT THIS
24 MEASURE COULD PASS, ORDINARILY WE WOULD ASK IF THERE
25 ARE ANY MOTIONS TO ELEVATE TIER II PROJECTS TO TIER

BETH C. DRAIN, CA CSR NO. 7152

1 I FOR CONSIDERATION AT THIS MEETING. BUT IN LIGHT
2 OF THE CIRCUMSTANCES, I'M GOING TO PUSH THE CLIN2
3 PROJECTS TO THE DECEMBER BOARD MEETING, AT WHICH
4 POINT WE WILL HAVE FINALITY ON PROP 14. AND AT THAT
5 POINT, IF IT DOES NOT PASS, WE WILL CONSIDER WHETHER
6 OR NOT ANY TIER II PROJECTS WOULD LIKE TO BE
7 RECOMMENDED FOR FUNDING BY MEMBERS OF THE BOARD
8 GIVEN THE CONSTRAINTS OF THE MONIES THAT WILL BE
9 LEFT AT THAT POINT. OR IF THE MEASURE DOES PASS,
10 THE ORDER OF THE DAY WILL BE TO GO BACK TO THE
11 GRANTEES AND HAVE THEM, AS DR. SAMBRANO SUGGESTED,
12 AMEND THEIR APPLICATIONS TO BE FILED IN THE NEXT
13 REGULAR APPLICATION CYCLE FOR WHICH WE WOULD HAVE
14 FUNDING AND COULD CONSIDER THEM AT THAT POINT.

15 HAVING SAID THAT, THEN, DO I HEAR A MOTION
16 FOR APPROVAL FOR THE THREE PROJECTS DR. SAMBRANO HAS
17 JUST DESCRIBED?

18 DR. DULIEGE: CHAIRMAN THOMAS, I HAVE A
19 COMMENT OR A QUESTION. IS THIS THE RIGHT TIME?

20 CHAIRMAN THOMAS: YES.

21 DR. DULIEGE: SO GIVEN WHAT YOU JUST SAID,
22 WHICH IS THIS TRANSITION TIME, SHOULD WE TAKE INTO
23 CONSIDERATION TWO FACTORS THAT SO FAR WE DO NOT --
24 WE DID NOT. I THINK ALL OF THESE APPLICATIONS HAVE
25 SCIENTIFIC MERIT. NO QUESTION. AND THIS WAS

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1 EVALUATED AND RECOMMENDED BY THE GWG. MY QUESTION
2 IS OSTEOPETROSIS, IT IS A TRULY RARE DISEASE. AND
3 THERE'S NO QUESTION THAT FUNDING THIS PROJECT WILL
4 HELP SCIENCE AS WELL AS THOSE CHILDREN BORN WITH
5 THIS UNFORTUNATE DISEASE, BUT IT'S NOT GOING TO HELP
6 IN GENERAL THE PUBLIC HEALTH AND THE HEALTH OF
7 CALIFORNIANS UNDER OUR SCOPE.

8 SHOULD WE TAKE THAT INTO CONSIDERATION OR
9 NOT? AND I HAVE ACTUALLY A VERY SIMILAR QUESTION
10 FOR EVERYBODY, BUT PARTICULARLY FOR YOU, J.T., WHICH
11 IS IN THE FIELD OF HIV, ON THE OTHER HAND, WHICH IS
12 AN IMPORTANT PART, BUT WE HAVE ALREADY FUNDED FOUR
13 OTHER HIV PROGRAMS, INCLUDING ONE THAT IS FAIRLY
14 SIMILAR ON CAR-T CELL. SHOULD WE TAKE THIS INTO
15 CONSIDERATION, OR JUST SUPPORT THEM BECAUSE
16 SCIENTIFICALLY THEY'RE VALUABLE?

17 CHAIRMAN THOMAS: WITH RESPECT TO YOUR
18 FIRST QUESTION, DR. DULIEGE, WE'VE FUNDED VERY RARE
19 DISEASES BEFORE. AND THE FACT THAT THIS WOULD APPLY
20 TO A SMALL NUMBER OF PATIENTS, THAT IS ALL FACTORED
21 IN BY THE GWG. AND IT'S THE SCIENCE THEY ARE
22 EVALUATING AND THE IMPACT ON THE ADMITTEDLY SMALL
23 NUMBER THAT IS IMPORTANT HERE. EVEN THOUGH THIS IS
24 NOT SOMETHING WITH WIDE APPLICATION, IT IS CERTAINLY
25 MY OPINION THAT THIS SHOULD BE CONSIDERED BECAUSE OF

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1 THE POSSIBILITIES OF HELPING PATIENTS WITH THIS
2 CONDITION.

3 WITH RESPECT TO YOUR SECOND QUESTION ABOUT
4 THE HIV PROJECT, I HAVEN'T INVOKED THIS ANALOGY IN
5 QUITE SOME TIME, BUT I WILL REINVOKE IT, WHICH IS
6 THE FACT THAT WE ARE FUNDING OTHER PROJECTS FOR THE
7 SAME CONDITION, THERE IS SOMETHING THAT HAS
8 DIFFERENCES AS THIS DOES, IT BEHOOVES US, MUCH AS
9 WAS THE CASE WITH THE CHILEAN MINERS WHERE THEY BORE
10 THREE HOLES INTO THE EARTH WITH THE HOPES THAT ONE
11 OF THEM WAS GOING TO HIT THAT CAVE. SIMILARLY, WE
12 OWE IT TO THE PATIENTS THAT WE ARE BENEFITING HERE
13 TO FUND ANY PROJECTS THAT WE BELIEVE ARE
14 SCIENTIFICALLY MERITORIOUS THAT HAVE A SHOT OF
15 FINDING A TREATMENT OR CURE.

16 SO TO BOTH OF YOUR QUESTIONS, I WOULD SAY
17 THESE ARE ENTIRELY APPROPRIATE FOR THE BOARD TO
18 CONSIDER AT THIS TIME. I WELCOME ANY OTHER THOUGHTS
19 BY MEMBERS OF THE BOARD.

20 DR. STEWARD: MAY I MAKE A SUGGESTION?

21 CHAIRMAN THOMAS: CERTAINLY.

22 DR. STEWARD: CAN WE CONSIDER EACH OF
23 THESE SEPARATELY BECAUSE OF CONFLICT ISSUES RATHER
24 THAN CONSIDERING THESE AS AN OMNIBUS MOTION?

25 CHAIRMAN THOMAS: WE CAN. CERTAINLY.

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1 DR. STEWARD: SO THAT WOULD BE A MOTION.

2 CHAIRMAN THOMAS: I DON'T THINK WE NEED TO
3 HAVE A MOTION TO CONSIDER THEM. I THINK WE JUST
4 PROCEED TO TAKE THEM ONE AT A TIME. SO DO I HEAR A
5 MOTION TO APPROVE THE FIRST PROJECT LISTED?

6 MS. BONNEVILLE: THAT'S CLIN2 12090. JUST
7 WANT TO CALL THAT OUT FOR EVERYONE.

8 DR. SAMBRANO: IT'S 12095. I'M SORRY.
9 THAT'S THE INFANTILE MALIGNANT OSTEOPETROSIS
10 PROJECT.

11 DR. SANDMEYER: ARE WE DONE DISCUSSING
12 THAT PROJECT?

13 CHAIRMAN THOMAS: WELL, FIRST, WE NEED A
14 MOTION TO APPROVE AND THEN WE'LL DISCUSS.

15 DR. STEWARD: I BELIEVE THAT I CAN MAKE
16 THIS MOTION. I MOVE TO APPROVE THIS PROJECT. THANK
17 YOU.

18 CHAIRMAN THOMAS: IS THERE A SECOND?

19 DR. PRIETO: I'LL SECOND.

20 CHAIRMAN THOMAS: IS THERE DISCUSSION BY
21 MEMBERS OF THE BOARD?

22 DR. STEWARD: THIS IS OS. THIS IS A
23 QUESTION FOR GIL. REALLY, I GUESS, TWO QUESTIONS.
24 FIRST OF ALL, GIL, I REMEMBER THAT THERE WERE SOME
25 COMMENTS ABOUT THERE ACTUALLY BEING AN ALTERNATIVE

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1 THERAPY, ACTUALLY IT'S A RESCUE THERAPY, SHOULD
2 THERE BE A PROBLEM WITH THIS. COULD YOU SAY
3 SOMETHING ABOUT THAT?

4 AND THEN NO. 2, THERE WAS A MENTION IN THE
5 APPLICATION AND ALSO IN THE DISCUSSION ABOUT THE
6 PROPOSED PRICE FOR THIS TREATMENT. AND I WONDER IF
7 YOU COULD JUST SAY SOMETHING ABOUT THAT SO WE HAVE
8 FULL TRANSPARENCY IN THESE TWO THINGS. THANK YOU.

9 DR. SAMBRANO: SURE. HAPPY TO.

10 SO THERE WAS CONCERN ABOUT PATIENTS THAT
11 ARE IDENTIFIED AND POTENTIALLY TREATED WITH THIS
12 APPROACH. AND THE CONCERN WAS THAT IF THE PRODUCT
13 FAILS, THAT THERE NEEDS TO BE, BECAUSE THERE IS A
14 VERY NARROW THERAPEUTIC WINDOW, THERE NEEDS TO BE A
15 BACKUP OR RESCUE OPTION AVAILABLE FOR THESE
16 PATIENTS. AND SO THE APPLICANTS DO HAVE THAT IN
17 PLACE. THEY HAVE IDENTIFIED OR THEY DID IDENTIFY
18 FOR EACH PATIENT THAT THEY BRING INTO THIS TRIAL
19 THEY WOULD IDENTIFY A MATCH THAT WOULD PROVIDE A
20 HEMATOPOIETIC STEM CELL TRANSPLANT, SO JUST A
21 REGULAR TRANSPLANT, NOT WITH THIS PARTICULAR
22 PRODUCT, AS A BACKUP.

23 NOW, WITH REGARDS TO PRICING, SO THERE WAS
24 MENTION WITHIN THE REVIEW ABOUT THE FACT THAT THIS
25 IS A TWO-PATIENT TRIAL. SO THIS IS HOW THEY ARE

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1 STARTING OUT. AND THAT THE COST RELATED TO TREATING
2 THOSE TWO PATIENTS IS HIGH GIVEN THAT A LOT OF WHAT
3 THEY ARE DOING IS THROUGH THE USE OF CONTRACTORS.
4 NOW, THE ULTIMATE PRICE OF THIS THERAPY IS ALSO
5 DISCUSSED BY THE APPLICANTS, AND THEY ESTIMATE THAT
6 ULTIMATELY, ALTHOUGH OBVIOUSLY THEY CAN'T KNOW
7 EXACTLY WHAT THE PRICE WOULD BE, THEY ESTIMATE IT
8 COULD BE ABOUT ONE AND A HALF MILLION PER PATIENT.
9 AND THEY COMPARE THAT TO THE BETWEEN ONE AND TWO
10 MILLION IN COSTS THAT PATIENTS WOULD NEED TO PAY
11 ANYWAY DUE TO THE MORBIDITY OF THE DISEASE. AT
12 LEAST THAT IS WHAT IS DISCUSSED AND WHAT THE GWG
13 DISCUSSED.

14 CHAIRMAN THOMAS: ARE THERE OTHER COMMENTS
15 ON THIS APPLICATION BY MEMBERS OF THE BOARD?

16 DR. SANDMEYER: I ACTUALLY HAD A QUESTION
17 THAT'S A LITTLE MORE GENERAL, AND IT JUST RELATES TO
18 WHEN THERE ARE THESE EXTREMELY RARE DISEASES. I'M
19 SURE THE GRANT WORKING GROUP PROBABLY DISCUSSES
20 BROADER IMPLICATIONS, SO EITHER IN THAT AREA OR WITH
21 THAT PARTICULAR TECHNIQUE. AND I WONDER IF GIL
22 COULD ADDRESS WHETHER EITHER OF THOSE CLASSES OF
23 DISCUSSION TOOK PLACE FOR THIS PROPOSAL.

24 DR. SAMBRANO: SO TO SOME EXTENT, YES. SO
25 SOME OF THESE ARE JUST GENERALLY APPLICABLE. SO

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1 THIS APPROACH IS SOMETHING THAT, FROM A VERY GENERAL
2 PERSPECTIVE, WE HAVE FUNDED BEFORE WHERE YOU TAKE A
3 RARE DISEASE, DO A HEMATOPOIETIC STEM CELL
4 TRANSPLANT WITH GENE CORRECTION. AND SO THE
5 APPROACH COULD OPEN THE DOOR TO TREATING OTHER
6 SIMILARLY RARE DISEASES. SO FROM JUST THAT BIG
7 PICTURE PERSPECTIVE THAT WAS RECOGNIZED.

8 DR. SANDMEYER: SO IN AND OF ITSELF THIS
9 ISN'T A NOVEL APPROACH THAT WOULD SHED NEW LIGHT, I
10 GUESS.

11 DR. SAMBRANO: NOT IN TERMS OF THE
12 TECHNOLOGY.

13 DR. SANDMEYER: AND THEN WHAT ABOUT
14 OSTEOGENIC DISEASES MORE GENERALLY? IS THERE
15 ANYTHING THAT WOULD BE LEARNED IN THAT RESPECT OVER
16 THE COURSE OF DEVELOPMENT, FOR EXAMPLE, WHETHER THIS
17 KIND OF TREATMENT IS IMPACTFUL?

18 DR. SAMBRANO: NO, NOT SPECIFICALLY. NOT
19 FOR THIS.

20 DR. SANDMEYER: THANKS.

21 MR. JUELSGAARD: J.T., THIS IS STEVE
22 JUELSGAARD. JUST A COUPLE OF COMMENTS. I'D LIKE TO
23 VOICE AN OPINION JUST SLIGHTLY DIFFERENT THAN THE
24 ONE THAT YOU VOICED ABOUT THE ROLE OF THE GRANTS
25 WORKING GROUP IN THIS DECISION-MAKING PROCESS.

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1 THIS GOES BACK IN TIME HISTORICALLY TO
2 DISCUSSIONS THAT WE'VE HAD WHICH WE HAVEN'T HAD NOW
3 FOR QUITE SOME TIME IN THIS GROUP. WE HAVE A THING
4 CALLED PROGRAMMATIC REVIEW WHICH IS DIFFERENT THAN
5 SCIENTIFIC REVIEW AND ACTUALLY FOCUSES DIRECTLY ON
6 THE ISSUES THAT HAVE BEEN RAISED BY ANNE-MARIE AND
7 BY OS. AND THAT IS ARE THERE OTHER FACTORS THAT WE
8 SHOULD TAKE INTO ACCOUNT BEFORE WE DETERMINE TO
9 SPEND MONEY TO SUPPORT A PROJECT OR NOT?

10 SO, FOR EXAMPLE, IS THIS A LARGE ENOUGH
11 MEDICAL PROBLEM, FOR WANT OF A BETTER WAY OF
12 EXPRESSING IT, FOR US TO SUPPORT DOING RESEARCH ON?
13 I THINK THAT'S A PROGRAMMATIC DECISION, NOT A
14 SCIENTIFIC DECISION. THAT'S NOT REALLY ONE THAT THE
15 GWG IN MY VIEW REALLY WEIGHS GIVEN THAT WE'RE THE
16 FUNDING SOURCE ULTIMATELY, THIS GROUP IS. I THINK
17 IT ALSO GOES TO SOME OF THE OTHER QUESTIONS THAT
18 HAVE BEEN RAISED HERE.

19 I'M NOT SUGGESTING THAT I'M OPPOSED TO
20 THIS, BUT I WANT TO BE -- I THINK I WANT TO PUT ON
21 THE TABLE THE FACT THAT THIS GROUP DOES HAVE A ROLE
22 TO PLAY THAT'S DIFFERENT THAN SIMPLY APPROVING WHAT
23 THE GWG HAS SAID HAS SCIENTIFIC MERIT. I THINK WE
24 NEED TO BE ABLE TO UTILIZE THAT IN SPECIFIC CASES IF
25 WE THINK THAT THAT MERITS IT. SO I WANTED TO MAKE

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1 THOSE POINTS. THANK YOU VERY MUCH.

2 CHAIRMAN THOMAS: I WOULD SAY, MR.
3 JUELSGAARD, THAT I 100 PERCENT AGREE WITH YOU. THIS
4 BODY IS MEANT TO CONSIDER ALL FACTORS, BOTH
5 SCIENTIFIC AND NOT, AS PART OF ITS DELIBERATIVE
6 PROCESS. SO THANK YOU FOR MAKING THAT POINT. I
7 THINK OVER THE YEARS WE'VE HAD A LOT OF PROJECTS
8 THAT HAVE HAD PROGRAMMATIC ELEMENTS THAT HAVE
9 WEIGHED INTO THE DECISION-MAKING OF WHETHER OR NOT
10 TO FUND. SO IT'S ENTIRELY CORRECT.

11 OTHER COMMENTS BY MEMBERS OF THE BOARD?

12 DR. STEWARD: THANKS, STEVE, FOR RAISING
13 THAT POINT. AND I ASKED THOSE QUESTIONS OBVIOUSLY
14 FOR EXACTLY THOSE REASONS.

15 JUST TO SAY, GIL, REGARDING THE RESCUE
16 THERAPY, ONE OF THE THINGS THAT I BELIEVE CAME UP IS
17 THE FACT THAT THERE IS RESCUE THERAPY MEANS THAT
18 THERE IS AN ALTERNATE THERAPY, WHICH COMES TO THE
19 MATTER OF UNMET MEDICAL NEED IN A SENSE. IT'S NOT
20 THAT THIS IS A CURATIVE THERAPY. IT'S NOT THAT
21 EVERYBODY HAS THAT OPTION. BUT JUST TO POINT OUT
22 THAT FOR AT LEAST SOME OF THE INDIVIDUALS WHO WOULD
23 BE TREATED, AND IN THIS CASE REALLY THE ONES THAT
24 MIGHT BE TREATED FIRST, A RESCUE THERAPY OR AN
25 ALTERNATIVE THERAPY IS AVAILABLE. THANK YOU.

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1 CHAIRMAN THOMAS: THANK YOU. OTHER
2 COMMENTS BY MEMBERS OF THE BOARD? WE HAVE ANY
3 COMMENTS FROM MEMBERS OF THE PUBLIC?

4 MS. BONNEVILLE: I DO NOT SEE ANY HANDS
5 RAISED. LET ME DOUBLE-CHECK. NO, THERE ARE NO
6 HANDS RAISED.

7 CHAIRMAN THOMAS: THANK YOU, MARIA. WILL
8 YOU PLEASE CALL THE ROLL.

9 MS. BONNEVILLE: DAN BERNAL.

10 MR. BERNAL: YES.

11 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

12 DR. DULIEGE: YES.

13 MS. BONNEVILLE: YSABEL DURON.

14 MS. DURON: YES.

15 MS. BONNEVILLE: DAVID HIGGINS.

16 DR. HIGGINS: YES.

17 MS. BONNEVILLE: STEVE JUELSGAARD.

18 MR. JUELSGAARD: YES.

19 MS. BONNEVILLE: DAVE MARTIN.

20 DR. MARTIN: YES.

21 MS. BONNEVILLE: LAUREN MILLER-ROGEN.

22 MS. ROGEN: YES.

23 MS. BONNEVILLE: ADRIANA PADILLA.

24 DR. PADILLA: (NO AUDIBLE RESPONSE.)

25 MS. BONNEVILLE: JOE PANETTA.

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1 MR. PANETTA: YES.

2 MS. BONNEVILLE: FRANCISCO PRIETO.

3 DR. PRIETO: AYE.

4 MS. BONNEVILLE: ROBERT QUINT. AL
5 ROWLETT.

6 MR. ROWLETT: YES.

7 MS. BONNEVILLE: OS STEWARD.

8 DR. STEWARD: YES.

9 MS. BONNEVILLE: JONATHAN THOMAS.

10 CHAIRMAN THOMAS: YES.

11 MS. BONNEVILLE: DIANE WINOKUR. YOU'RE ON
12 MUTE. DIANE, CAN YOU UNMUTE YOURSELF? YOU SAID
13 YES? I THINK YOU SAID YES. NOD. OKAY. THANK YOU.

14 THE REPORTER: MARIA, I DIDN'T HEAR A
15 RESPONSE FROM DR. PADILLA.

16 MS. BONNEVILLE: SHE LEFT HER -- THERE SHE
17 IS. SHE SAID YES, I THINK. YES.

18 THE REPORTER: THANK YOU.

19 MS. BONNEVILLE: THE MOTION CARRIES.

20 CHAIRMAN THOMAS: THANK YOU, MARIA. DO WE
21 HEAR A MOTION TO APPROVE THE NEXT AWARD, WHICH IS
22 CLIN2 12090 ON THE HIV PROJECT?

23 DR. HIGGINS: SO MOVED.

24 CHAIRMAN THOMAS: MOVED BY DR. HIGGINS.
25 WE HAVE A SECOND?

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1 MR. ROWLETT: I'LL SECOND.

2 CHAIRMAN THOMAS: SECONDED BY MR. ROWLETT.
3 DO WE HAVE ANY DISCUSSION BY MEMBERS OF THE BOARD?

4 DR. MARTIN: I'D LIKE TO ASK GIL. THIS IS
5 A COMPLEX ISSUE AND I KNOW SOMETHING ABOUT IT. I
6 PRESUME THAT THERE WAS A SPECIFIC CAR-T EXPERT AND
7 OBVIOUSLY HIV EXPERTS WHO ARE PARTICIPATING IN THE
8 REVIEW?

9 DR. SAMBRANO: YES, ABSOLUTELY. YES,
10 THAT'S CORRECT.

11 DR. MARTIN: THANK YOU.

12 MR. BERNAL: I APPRECIATED THE COMMENTS OF
13 THE CHAIR AND DR. SANDMEYER, MR. JUELSGAARD ON THE
14 PREVIOUS APPLICATION, PARTICULARLY WITH REGARD TO
15 PROGRAMMATIC REVIEW. I'VE SEEN THAT THIS
16 APPLICATION IN ITS REVIEW ACKNOWLEDGES THE
17 DIFFICULTY THAT COVID PRESENTS IN RECRUITING FOR THE
18 TRIALS. I LOOK FORWARD TO ENGAGING WITH THE GRANTS
19 WORKING GROUP MORE, BUT I WAS WONDERING DO THESE
20 DISCUSSIONS IN PROGRAMMATIC REVIEW ALSO INCLUDE
21 THINGS LIKE THE OPPORTUNITIES THAT SOMETHING IN THIS
22 APPLICATION LIKE DISTRIBUTED MANUFACTURING OR
23 LARGE-SCALE COLD STORAGE COULD SORT OF IMPACT OR
24 BENEFIT IT COULD HAVE IN ADDRESSING THE COVID
25 PANDEMIC AS WELL, NOT JUST THE CHALLENGES THAT COVID

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1 PRESENTS TO AN APPLICATION OR TO A PROPOSAL, BUT
2 ALSO THE OPPORTUNITIES WITH REGARD TO COVID.

3 CHAIRMAN THOMAS: WELCOME ANY DISCUSSION
4 ON THAT TOPIC CERTAINLY, DAN.

5 MR. BERNAL: THANK YOU.

6 CHAIRMAN THOMAS: ANY FURTHER COMMENTS BY
7 MEMBERS OF THE BOARD? ANY COMMENTS BY MEMBERS OF
8 THE PUBLIC?

9 MS. BONNEVILLE: CHECK TO SEE IF THERE ARE
10 ANY HANDS RAISED. THERE ARE NO HANDS RAISED.

11 CHAIRMAN THOMAS: THANK YOU. BEFORE YOU
12 GO TO THE ROLL, I JUST WANTED TO RESPOND
13 ADDITIONALLY TO DR. MARTIN'S QUESTION. FOR THE
14 BENEFIT OF THOSE MEMBERS OF THE ICOC WHO DO NOT SIT
15 ON THE GWG, WITH RESPECT TO WHEN WE HAVE REVIEWS AT
16 THAT LEVEL, IT IS VERY COMMONLY THE CASE THAT THERE
17 ARE SPECIALISTS INVOLVED FOR CONSIDERATION OF THE
18 PARTICULAR DISEASES THAT ARE THE OBJECT OF THE
19 GRANTS BEING WEIGHED BY THE GROUP. AND THERE IS NOT
20 A SITUATION WHERE YOU DON'T HAVE SOMEBODY WHO IS
21 VERY ATTUNE TO THE RELEVANT SCIENTIFIC ISSUES IN
22 FORMING THAT DISCUSSION.

23 SO JUST WANTED EVERYBODY TO MAKE SURE THEY
24 UNDERSTOOD THAT BECAUSE THAT'S A KEY FEATURE OF THE
25 REVIEW AMONGST MANY OTHERS. SO HAVING SAID THAT,

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1 MARIA, WILL YOU PLEASE CALL THE ROLL.
2 MS. BONNEVILLE: DAN BERNAL.
3 MR. BERNAL: YES.
4 MS. BONNEVILLE: ANNE-MARIE DULIEGE.
5 DR. DULIEGE: YES.
6 MS. BONNEVILLE: YSABEL DURON.
7 MS. DURON: YES.
8 MS. BONNEVILLE: DAVID HIGGINS.
9 DR. HIGGINS: YES.
10 MS. BONNEVILLE: STEVE JUELSGAARD.
11 MR. JUELSGAARD: YES.
12 MS. BONNEVILLE: DAVE MARTIN.
13 DR. MARTIN: YES.
14 MS. BONNEVILLE: LAUREN ROGEN.
15 MS. ROGEN: YES.
16 MS. BONNEVILLE: ADRIANA PADILLA.
17 DR. PADILLA: YES.
18 MS. BONNEVILLE: JOE PANETTA.
19 MR. PANETTA: YES.
20 MS. BONNEVILLE: FRANCISCO PRIETO.
21 DR. PRIETO: AYE.
22 MS. BONNEVILLE: ROBERT QUINT. AL
23 ROWLETT.
24 MR. ROWLETT: YES.
25 MS. BONNEVILLE: OS STEWARD.

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1 DR. STEWARD: YES.

2 MS. BONNEVILLE: JONATHAN THOMAS.

3 CHAIRMAN THOMAS: YES.

4 MS. BONNEVILLE: DIANE WINOKUR. DIANE,
5 YOU'RE ON MUTE. DO YOU JUST WANT TO NOD YOUR HEAD
6 YES OR NO.? J.T., WHY DON'T WE COME BACK TO THAT
7 ONE. AND THEN ONCE DIANE CAN GET HER SPEAKER GOING,
8 AND THEN WE'LL CLOSE THAT ONE OUT.

9 CHAIRMAN THOMAS: SURE. LET'S MOVE ON.
10 THERE'S ONE MORE CLIN TO BE CONSIDERED. DO I HEAR A
11 MOTION TO APPROVE THE FINAL GRANT LISTED, WHICH IS
12 CLIN2 12129, IF I'M READING THAT CORRECTLY? HEAR A
13 MOTION TO THAT EFFECT?

14 MS. DURON: SO MOVED.

15 CHAIRMAN THOMAS: THANK YOU. MOVED BY MS.
16 DURON. IS THERE A SECOND?

17 DR. MARTIN: I'LL SECOND IT.

18 CHAIRMAN THOMAS: SECONDED BY DR. MARTIN.
19 THANK YOU VERY MUCH. IS THERE A DISCUSSION ON THIS
20 BY MEMBERS OF THE BOARD?

21 MR. PANETTA: I'VE GOT A QUESTION, J.T. I
22 THINK IT'S A QUESTION FOR GIL. I'D JUST LIKE TO
23 BETTER UNDERSTAND. THIS IS A TREATMENT THAT
24 SUPPLEMENTS SURGICAL INTERVENTION, AND SO IT WOULD
25 NOT BE ADMINISTERED AS A STANDALONE TREATMENT?

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1 THAT'S MY FIRST QUESTION.

2 AND THEN MY SECOND QUESTION IS IS THERE
3 ANY UNDERSTANDING THE DEGREE TO WHICH THIS WILL
4 SUPPLEMENT SURGICAL INTERVENTION AS A BETTER
5 TREATMENT THAN JUST SURGICAL INTERVENTION?

6 DR. SAMBRANO: SURE. SO THIS IS INTENDED
7 TO AUGMENT THE SURGICAL INTERVENTION. SO WHAT THIS
8 PRODUCT IS IT IS A COMBINATION OF CELLS THAT ARE
9 SEEDED ONTO AN EXTRACELLULAR MATRIX. AND THAT
10 TOGETHER COMPOSES A GRAFT THAT WILL BE INTRODUCED
11 ALONG AND DURING THE TIME OF SURGICALLY REPAIRING.
12 AND THE CELLS THEMSELVES ARE THEN ACTING TO PROTECT
13 THE MOTOR NEURONS AND ENHANCE THE ABILITY OF ANY
14 DAMAGE TO HEAL TO THE EXTENT POSSIBLE. SO IT GOES
15 ALONG WITH IT.

16 CHAIRMAN THOMAS: OTHER COMMENTS OR
17 QUESTIONS FROM MEMBERS OF THE BOARD? ANY COMMENTS
18 FROM MEMBERS OF THE PUBLIC?

19 MS. BONNEVILLE: I'LL LET YOU KNOW. I SEE
20 NONE.

21 CHAIRMAN THOMAS: THANK YOU. HAVING SAID
22 THAT, MARIA, PLEASE CALL THE ROLL.

23 MS. BONNEVILLE: DAN BERNAL.

24 MR. BERNAL: YES.

25 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

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1 DR. DULIEGE: YES.
2 MS. BONNEVILLE: YSABEL DURON.
3 MS. DURON: YES.
4 MS. BONNEVILLE: DAVID HIGGINS.
5 DR. HIGGINS: YES.
6 MS. BONNEVILLE: STEVE JUELSGAARD.
7 MR. JUELSGAARD: YES.
8 MS. BONNEVILLE: DAVE MARTIN.
9 DR. MARTIN: YES.
10 MS. BONNEVILLE: LAUREN ROGEN.
11 MS. ROGEN: YES.
12 MS. BONNEVILLE: ADRIANA PADILLA.
13 DR. PADILLA: YES.
14 MS. BONNEVILLE: JOE PANETTA.
15 MR. PANETTA: YES.
16 MS. BONNEVILLE: FRANCISCO PRIETO.
17 DR. PRIETO: AYE.
18 MS. BONNEVILLE: ROBERT QUINT. AL
19 ROWLETT.
20 MR. ROWLETT: YES.
21 MS. BONNEVILLE: OS STEWARD.
22 DR. STEWARD: YES.
23 MS. BONNEVILLE: JONATHAN THOMAS.
24 CHAIRMAN THOMAS: YES.
25 MS. BONNEVILLE: DIANE WINOKUR. SHE SAID

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1 YES. SHE NODDED HER HEAD. GREAT. THANK YOU.

2 CHAIRMAN THOMAS: THAT MOTION PASSES.

3 MARIA, CAN YOU ASK HER AGAIN TO CLOSE THE PREVIOUS.

4 MS. BONNEVILLE: SURE. DIANE, I JUST NEED

5 A YES FOR THE APPLICATION THAT WAS BROUGHT UP PRIOR

6 TO THIS, 12090. WE DID NOT SEE YOU SAY YES OR NO.

7 YES. OKAY. THANK YOU.

8 CHAIRMAN THOMAS: OKAY. THANK YOU. THAT

9 CONCLUDES THOSE THREE CLIN AWARDS. WE HAVE ONE MORE

10 CLIN AWARD TO DISCUSS, WHICH IS A SICKLE CELL

11 PROJECT, WHICH, AS YOU KNOW, COMES FROM A SEPARATE

12 POT THAT HAS BEEN ALLOCATED. SO LET'S GO BACK TO

13 DR. SAMBRANO FOR A SUMMARY.

14 DR. SAMBRANO: LET ME PUT UP THE

15 PRESENTATION AGAIN. HOPEFULLY YOU CAN SEE THE

16 PRESENTATION AGAIN.

17 SO WE HAVE ONE MORE APPLICATION. SO THIS

18 IS UNDER THE CIRM/NHLBI SICKLE CELL DISEASE

19 INITIATIVE WHERE WE HAVE COLLABORATED WITH NHLBI TO

20 CO-FUND PROJECTS, WHERE APPROPRIATE, THAT ADDRESS

21 THE POTENTIAL TO CURE SICKLE CELL DISEASE.

22 AND SO FOR THIS WE HAD ONE APPLICATION

23 THAT CAME IN THAT WAS RECOMMENDED FOR FUNDING WITH A

24 TOTAL APPLICANT REQUEST OF 8.3 MILLION. SO I WILL

25 TAKE YOU THROUGH THAT ONE QUICKLY.

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1 SO THE THERAPY IS AN AUTOLOGOUS
2 GENE-MODIFIED HEMATOPOIETIC STEM CELL APPROACH FOR
3 SICKLE CELL DISEASE. THIS IS A PHASE 2 TRIAL THAT
4 IS ASKING FOR 8.3 MILLION, AS MENTIONED. IT'S
5 IMPORTANT TO NOTE THAT THE TOTAL COST OF THIS PHASE
6 2 PROJECT IS ABOUT 34 MILLION. SO CIRM'S
7 CONTRIBUTION TO THIS PROJECT IS ABOUT 25 PERCENT OF
8 THE OVERALL COST IN ORDER TO SUPPORT THE CALIFORNIA
9 PORTION AND THE PATIENTS IN CALIFORNIA FOR THIS
10 PROJECT.

11 SO JUST SOME BACKGROUND. SICKLE CELL
12 DISEASE, AS YOU KNOW, AFFECTS APPROXIMATELY 100,000
13 AMERICANS. IT IS PARTICULARLY COMMON IN THOSE WITH
14 SUB-SAHARAN AFRICAN ANCESTRY, AFFECTING ONE IN 365
15 AFRICAN-AMERICAN BIRTHS, AND GLOBALLY OVER 300,000
16 CHILDREN ARE BORN WITH SICKLE CELL DISEASE EACH
17 YEAR.

18 SO THE VALUE PROPOSITION OFFERED BY THIS
19 THERAPY. THE ONLY CURRENT CURE FOR SICKLE CELL
20 DISEASE IS ALLOGENEIC HEMATOPOIETIC STEM CELL
21 TRANSPLANT, BUT DONOR AVAILABILITY IS VERY LIMITED.
22 AND, OF COURSE, THERE'S THE HIGH RISK OF
23 COMPLICATIONS SUCH AS GRAFT VERSUS HOST DISEASE THAT
24 ACCOMPANIES THESE TYPES OF PROCEDURES.

25 SO THE PROPOSED AUTOLOGOUS THERAPY WOULD

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1 AVOID THE MEDICAL RISK OF ALLOGENEIC TRANSPLANT
2 BECAUSE THE CELLS COME FROM THE PATIENT ITSELF.
3 THEY ARE MODIFIED IN THIS CASE IN ORDER TO PRODUCE
4 FETAL HEMOGLOBIN AND AS SUCH WOULD PROVIDE A CURE
5 FOR THE PATIENTS.

6 THIS IS A STEM CELL PROJECT BECAUSE IT
7 INCLUDES HEMATOPOIETIC STEM CELLS.

8 SO WE DO, IF WE LOOK ACROSS OUR PORTFOLIO,
9 HAVE A VARIETY OF PROJECTS AND APPROACHES FOR
10 TREATING SICKLE CELL DISEASE THAT SPAN FROM
11 IND-ENABLING PROJECTS. SO THE CLIN-1S ARE AT THE
12 IND-ENABLING STAGE AS WELL AS SOME THAT ARE IN THE
13 PHASE 1 STAGE, AND ALL OF THEM OFFERING QUITE VARIED
14 APPROACHES TO SICKLE CELL DISEASE.

15 THE CURRENTLY PROPOSED PROJECT DIFFERS
16 FROM THESE IN THAT IT IS A PHASE 2 PROJECT, AND IT
17 IS ALSO UNIQUELY ONE THAT IS ATTEMPTING TO INCREASE
18 THE AMOUNT OF FETAL HEMOGLOBIN AS A SOLUTION TO
19 ADDRESSING SICKLE CELL DISEASE.

20 THIS APPLICANT HAS NOT PREVIOUSLY RECEIVED
21 FUNDING FROM CIRM. AND THE GRANTS WORKING GROUP
22 RECOMMENDATION IS AS FOLLOWS: THERE WERE 13 MEMBERS
23 WHO GAVE THIS A SCORE OF 1, THERE WERE TWO THAT GAVE
24 IT A SCORE OF 2, NO ONE GAVE IT A SCORE OF 3. AND
25 SO THE RECOMMENDATION IS TO FUND THIS APPLICATION,

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1 AND THE CIRM TEAM CONCURS WITH THAT WITH AN AWARD
2 AMOUNT OF 8.3 MILLION. SO I'LL TURN IT BACK TO YOU,
3 MR. CHAIRMAN.

4 CHAIRMAN THOMAS: THANK YOU, DR. SAMBRANO.
5 DO WE HAVE A MOTION TO APPROVE THIS APPLICATION?

6 MR. ROWLETT: I'D LIKE TO MOVE TO APPROVE.

7 CHAIRMAN THOMAS: THANK YOU.

8 MR. BERNAL: I'LL SECOND.

9 CHAIRMAN THOMAS: THANK YOU BOTH,
10 GENTLEMEN. IS THERE DISCUSSION ON THIS APPLICATION
11 BY MEMBERS OF THE BOARD?

12 MR. JUELSGAARD: J.T., THIS IS STEVE. I
13 HAVE A COUPLE OF QUESTIONS. SO THE FIRST QUESTION
14 IS IS THE APPLICANT FOR THESE FUNDS, IS IT A
15 CALIFORNIA-BASED ORGANIZATION?

16 DR. SAMBRANO: IT IS NOT, BUT THEY WILL DO
17 THE WORK IN CALIFORNIA THAT THE CIRM FUNDS PROVIDES.

18 MR. JUELSGAARD: SO THEY'RE ASKING FOR
19 ROUGHLY 25 PERCENT OF THE FUNDING AMOUNT FROM US,
20 8.3 MILLION. HOW IS IT THAT WE ARE CONFIDENT THAT
21 THEY ARE GOING TO DO 25 PERCENT OF THE WORK IN
22 CALIFORNIA? HOW IS THAT ANALYZED THAT WE KNOW THAT
23 THAT'S ACTUALLY WHAT'S GOING TO HAPPEN PARTICULARLY
24 SINCE THEY'RE NOT BASED IN CALIFORNIA?

25 DR. SAMBRANO: RIGHT. SO SINCE THIS IS A

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1 PHASE 2 TRIAL, IT'S BASED ON THE NUMBER OF PATIENTS
2 AND THE CLINICAL SITES THAT ARE SLATED FOR
3 CALIFORNIA. SO THEY INTEND TO TREAT A GIVEN NUMBER
4 OF PATIENTS IN CALIFORNIA AND USE THOSE RECRUITMENT
5 SITES TO DO SO.

6 MR. JUELSGAARD: I UNDERSTAND THAT, BUT
7 WHAT HAPPENS REALISTICALLY IS THAT YOU'LL HAVE A
8 NUMBER OF CLINICAL SITES ACROSS THE U.S. YOU START
9 ENROLLING PATIENTS. VERY SELDOM DO YOU SEE THIS
10 SORT OF ALLOCATION OF, WELL, THIS SITE HAS TO
11 RECRUIT THESE MANY PATIENTS, ET CETERA. RATHER,
12 IT'S KIND OF A FIRST COME FIRST SERVE. SO IN THEORY
13 THEY CAN OPEN CALIFORNIA SITES BUT NEVER RECRUIT A
14 SINGLE PATIENT IN CALIFORNIA. ISN'T THAT TRUE?

15 DR. SAMBRANO: IN THEORY THAT IS TRUE, AND
16 WE WOULD NOT THEN CONTRIBUTE FUNDS. WE CAN'T PAY
17 FOR ANY PATIENTS OUTSIDE OF CALIFORNIA OR FOR WORK
18 OUTSIDE OF CALIFORNIA. SO WE WOULD ONLY CONTRIBUTE
19 TO THOSE THAT ARE SUCCESSFULLY RECRUITED AND TREATED
20 IN CALIFORNIA.

21 MR. JUELSGAARD: GOT IT. SO THAT'S OUR
22 BACKSTOP. ALL RIGHT. THANK YOU VERY MUCH. THAT
23 ANSWERED MY QUESTIONS.

24 CHAIRMAN THOMAS: OTHER COMMENTS OR
25 QUESTIONS BY MEMBERS OF THE BOARD?

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1 MS. DURON: YSABEL HERE. CAN I SAY I LIKE
2 THAT BACKSTOP. THANKS FOR THOSE QUESTIONS, STEVE,
3 BECAUSE I THINK IT IS REALLY CRUCIAL. YOU KNOW,
4 IT'S THAT CHECK THE BOX KIND OF WAY OF DOING THINGS
5 THAT WE ARE TRYING TO MAKE SURE CHANGE. SO I'M GLAD
6 THAT THERE ARE CRITERIA.

7 I WOULD ALSO LIKE THEM PERHAPS TO SHARE
8 SOME METRICS, THEIR RECRUITMENT PLAN, THEIR GOALS.
9 PERHAPS THEY DID. I'M SORRY, GIL, I DIDN'T SEE THE
10 WHOLE PLAN. I THINK IT'S CRUCIAL, THOUGH, FOR US TO
11 SEE SOMETHING OR THE GRANTS WORKING GROUP TO SEE
12 THAT TO KNOW THAT, IN FACT, THERE ARE DELIVERABLES,
13 METRICS MEASURED SO WE BE SURE THAT THEY ARE INDEED
14 COMING TO CALIFORNIA AND RECRUITING.

15 DR. SAMBRANO: SURE. SO THEY DO WITHIN
16 THEIR APPLICATION PROVIDE THEIR PLAN FOR RECRUITMENT
17 AS WELL AS WHICH SITES WITHIN CALIFORNIA THEY HAVE
18 CONTRACTED WITH OR ARE IN THE PROCESS OF CONTRACTING
19 WITH IN ORDER TO MEET THOSE MILESTONES.

20 CHAIRMAN THOMAS: OTHER COMMENTS OR
21 QUESTIONS BY MEMBERS OF THE BOARD?

22 MR. ROWLETT: COMMENT, J.T. THIS IS AL.
23 AS I RECALL, THIS PARTICULAR REVIEW, YSABEL, WANTED
24 TO TELL YOU THAT YOUR COMMENTS THROUGH THE COURSE OF
25 THESE MEETINGS HAS HAD AN IMPACT CERTAINLY ON ME.

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1 AND THIS PARTICULAR REVIEW, IF I'M RECALLING IT
2 CORRECTLY, ADDRESSES ISSUES RELATED TO ACCESS FOR
3 UNSERVED AND UNDERSERVED CITIZENS FAR MORE
4 COMPREHENSIVELY. AND SO IT WAS MORE THAN A CHECK
5 BOX.

6 DR. DURON: THANK YOU, AL.

7 CHAIRMAN THOMAS: OTHER QUESTIONS OR
8 COMMENTS BY MEMBERS OF THE BOARD? HEARING NONE, ANY
9 COMMENTS BY MEMBERS OF THE PUBLIC? MARIA?

10 MS. BONNEVILLE: SORRY. I WAS JUST MAKING
11 SURE I WASN'T DOING ANYTHING I SHOULDN'T BE DOING.
12 NO, THERE ARE NO MEMBERS OF THE PUBLIC WHO WISH TO
13 SPEAK.

14 CHAIRMAN THOMAS: THANK YOU. WILL YOU
15 PLEASE CALL THE ROLL.

16 MS. BONNEVILLE: DAN BERNAL.

17 MR. BERNAL: YES.

18 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

19 DR. DULIEGE: YES.

20 MS. BONNEVILLE: YSABEL DURON.

21 MS. DURON: YES.

22 MS. BONNEVILLE: DAVID HIGGINS.

23 DR. HIGGINS: YES.

24 MS. BONNEVILLE: STEVE JUELGAARD.

25 MR. JUELGAARD: YES.

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1 MS. BONNEVILLE: DAVE MARTIN.
2 DR. MARTIN: YES.
3 MS. BONNEVILLE: LAUREN ROGEN.
4 MS. ROGEN: YES.
5 MS. BONNEVILLE: ADRIANA PADILLA.
6 DR. PADILLA: YES.
7 MS. BONNEVILLE: FRANCISCO PRIETO.
8 DR. PRIETO: AYE.
9 MS. BONNEVILLE: AL ROWLETT.
10 MR. ROWLETT: YES.
11 MS. BONNEVILLE: OS STEWARD.
12 DR. STEWARD: YES.
13 MS. BONNEVILLE: JONATHAN THOMAS.
14 CHAIRMAN THOMAS: YES.
15 MS. BONNEVILLE: DIANE WINOKUR.
16 MS. WINOKUR: IF YOU DON'T HEAR ME.
17 MS. BONNEVILLE: I CAN HEAR YOU. YAY.
18 MS. WINOKUR: YES.
19 MS. BONNEVILLE: THANK YOU. MOTION
20 CARRIES.
21 MR. PANETTA: MARIA, THIS IS JOE? WAS I
22 CONFLICTED ON THAT ONE?
23 MS. BONNEVILLE: I THOUGHT I CALLED YOUR
24 NAME AND YOU SAID YES, BUT I'LL TAKE IT. JOE
25 PANETTA.

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1 MR. PANETTA: YES.

2 DR. STEWARD: MARIA, THIS IS OS. I MAY
3 HAVE VOTED ACCIDENTALLY ON THAT. I THOUGHT YOU
4 CALLED MY NAME.

5 MS. BONNEVILLE: IT WAS OKAY FOR YOU TO
6 VOTE ON THAT ONE.

7 DR. STEWARD: JUST MAKING SURE. JUST
8 MAKING SURE.

9 MR. TORRES: I WAS CONFLICTED OUT AS WELL,
10 RIGHT?

11 MS. BONNEVILLE: I DID NOT CALL YOUR NAME,
12 SHOCKINGLY, AND SO, THEREFORE, YES. THAT ALL WORKED
13 OUT WELL.

14 MR. TORRES: I CAN VOTE AYE THEN?

15 MS. BONNEVILLE: NO, YOU ARE IN CONFLICT.

16 MR. TORRES: THAT'S WHAT I THOUGHT.

17 CHAIRMAN THOMAS: THANK YOU, MARIA. AND
18 THANK YOU, DR. SAMBRANO. THAT CONCLUDES THE
19 DISCUSSION AND VOTING ON THE APPLICATIONS FOR THIS
20 MEETING.

21 GO ON TO ITEM NO. 6, CONSIDERATION OF
22 ALLOCATION OF DONATION TO CIRM RESEARCH BUDGET FOR
23 ANY CIRM FUNDING PROGRAM AT THE DISCRETION OF THE
24 APPLICATION REVIEW SUBCOMMITTEE. SO THIS ITEM, YOU
25 MAY RECALL, WE RECEIVED A REQUEST FOR \$270,000

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1 EARLIER THIS YEAR, AND THE QUESTION ON THE TABLE NOW
2 IS WHERE TO PUT THAT MONEY.

3 WE WOULD LIKE TO, BECAUSE WE ARE STILL IN
4 LIMBO, ALBEIT VERY CLOSE TO THE FINISH LINE ON WHAT
5 HAPPENS WITH PROP 14, WE WOULD LIKE TO HAVE THAT
6 MONEY SET ASIDE FOR ADMINISTRATIVE PURPOSES TO THE
7 EXTENT THAT THAT IS NECESSARY. DON'T BELIEVE AT THE
8 END OF THE DAY WHEN WE GET THE FINAL RESULTS THAT IT
9 WILL BE, BUT THAT IS WHAT WE WOULD LIKE TO DO WITH
10 THAT FUNDING AT THE MOMENT.

11 SO DO I HEAR A MOTION TO THAT EFFECT?

12 MS. WINOKUR: I MOVE.

13 CHAIRMAN THOMAS: MOVED BY MS. WINOKUR.

14 IS THERE A SECOND?

15 DR. DEAS: SECOND.

16 CHAIRMAN THOMAS: THANK YOU. THIS, BY THE
17 WAY, BECAUSE THIS IS NOT AN APPLICATION REVIEW
18 SUBCOMMITTEE ITEM, IT'S BEFORE THE ENTIRE BOARD.
19 ANY DISCUSSION ON THAT MOTION? HEARING NONE, ANY
20 COMMENTS FROM MEMBERS OF THE PUBLIC?

21 MS. BONNEVILLE: NO.

22 CHAIRMAN THOMAS: THANK YOU, MARIA. WILL
23 YOU PLEASE CALL THE ROLL.

24 MS. BONNEVILLE: DAN BERNAL.

25 MR. BERNAL: YES.

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1 MS. BONNEVILLE: GEORGE BLUMENTHAL.
2 DR. BLUMENTHAL: YES.
3 MS. BONNEVILLE: JIM KOVACH.
4 DR. KOVACH: YES.
5 MS. BONNEVILLE: DEBORAH DEAS.
6 DR. DEAS: YES.
7 MS. BONNEVILLE: ANNE-MARIE DULIEGE.
8 DR. DULIEGE: YES.
9 MS. BONNEVILLE: YSABEL DURON.
10 MS. DURON: YES.
11 MS. BONNEVILLE: JUDY GASSON.
12 DR. GASSON: YES.
13 MS. BONNEVILLE: DAVID HIGGINS.
14 DR. HIGGINS: YES.
15 MS. BONNEVILLE: STEPHEN JUELSGAARD.
16 MR. JUELSGAARD: YES.
17 MS. BONNEVILLE: LINDA MALKAS. DAVE
18 MARTIN.
19 DR. MARTIN: YES.
20 MS. BONNEVILLE: SHLOMO MELMED.
21 DR. MELMED: YES.
22 MS. BONNEVILLE: LAUREN ROGEN.
23 MS. ROGEN: YES.
24 MS. BONNEVILLE: ADRIANA PADILLA.
25 DR. PADILLA: YES.

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1 MS. BONNEVILLE: JOE PANETTA.
2 MR. PANETTA: YES.
3 MS. BONNEVILLE: FRANCISCO PRIETO.
4 DR. PRIETO: AYE.
5 MS. BONNEVILLE: ROBERT QUINT. AL
6 ROWLETT.
7 MR. ROWLETT: YES.
8 MS. BONNEVILLE: SUZANNE SANDMEYER.
9 DR. SANDMEYER: YES.
10 MS. BONNEVILLE: OS STEWARD.
11 DR. STEWARD: YES.
12 MS. BONNEVILLE: JONATHAN THOMAS.
13 CHAIRMAN THOMAS: YES.
14 MS. BONNEVILLE: ART TORRES.
15 MR. TORRES: AYE.
16 MS. BONNEVILLE: KRISTINA VUORI.
17 DR. VUORI: YES.
18 MS. BONNEVILLE: DIANE WINOKUR.
19 MS. WINOKUR: YES.
20 MS. BONNEVILLE: KEITH YAMAMOTO.
21 DR. YAMAMOTO: YES.
22 MS. BONNEVILLE: THANK YOU. THE MOTION
23 CARRIES.
24 CHAIRMAN THOMAS: THANK YOU. ON TO ITEM
25 7, WHICH IS CONSIDERATION OF AUTHORIZATION FOR CIRM

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1 PRESIDENT AND CEO TO NEGOTIATE AND EXECUTE
2 AMENDMENTS TO THE LOAN AGREEMENT WITH VIACYTE.

3 THIS MATTER, BEFORE WE GET TO THIS TOPIC
4 IN OPEN SESSION, WE'RE GOING TO GO INTO CLOSED
5 SESSION TO DISCUSS AS THERE ARE PROPRIETARY MATTERS
6 FOR THAT PART OF OUR MEETING HERE. SO, MARIA, WILL
7 YOU WALK EVERYBODY THROUGH? I KNOW YOU SENT AN
8 E-MAIL AS TO THE PROCEDURE HERE, BUT WALK EVERYBODY
9 THROUGH WHAT'S GOING TO HAPPEN TO FACILITATE THE
10 CLOSED SESSION.

11 MS. BONNEVILLE: YES. YOU ARE GOING TO
12 GET A NOTICE THAT WILL PUT YOU INTO ONE OF THE
13 ROOMS. THOSE OF YOU WHO ARE IN CONFLICT WILL STAY
14 IN THIS SESSION. ONCE YOU ARE ADMITTED IN, IT WILL
15 JUST TRANSFER YOU OVER THERE. AND THEN WHEN YOU ARE
16 DONE THERE, IT WILL TRANSFER YOU BACK. SO WE SHOULD
17 ALL BE GOOD TO GO.

18 MR. HARRISON: JUST QUICKLY. BAGLEY-KEENE
19 REQUIRES THAT WE CITE THE STATUTORY AUTHORITY FOR
20 GOING TO CLOSED SESSION BEFORE DOING SO. SO LET ME
21 JUST CITE THAT QUICKLY. HEALTH AND SAFETY CODE
22 SECTION 125290.30(F), (3)(B) AND (C). THANK YOU.

23 (THE BOARD THEN MOVED INTO CLOSED
24 SESSION, NOT REPORTED NOR HEREIN TRANSCRIBED. THE
25 FOLLOWING WAS THEN HEARD IN OPEN SESSION AS

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1 FOLLOWS:)

2 CHAIRMAN THOMAS: OKAY. HAVING CONCLUDED
3 CLOSED SESSION, EVERYBODY NOW IS BACK COURTESY OF
4 DR. BONNEVILLE AND HER TECHNOLOGICAL WIZARDRY. SO
5 WE'RE GOING TO GO BACK TO RESUME ON ITEM 7,
6 CONSIDERATION OF AUTHORIZATION FOR CIRM PRESIDENT
7 AND CEO TO NEGOTIATE AND EXECUTE AMENDMENT TO LOAN
8 AGREEMENT WITH VIACYTE. DR. MILLAN, YOU HAVE A
9 PRESENTATION?

10 DR. MILLAN: THANK YOU SO MUCH, CHAIRMAN
11 THOMAS. MARIA, WOULD YOU MIND --

12 MS. BONNEVILLE: HOLD ON FOR ONE SECOND.

13 DR. MILLAN: THANK YOU. THANK YOU VERY
14 MUCH.

15 MEMBERS OF THE BOARD, MEMBERS OF THE
16 PUBLIC, SO TODAY WE ARE DISCUSSING VIACYTE LOAN
17 AWARD DR-101423, WHICH IS ONE OF THE FIRST AWARDS TO
18 VIACYTE. AS MANY OF YOU KNOW, CIRM HAS BEEN A
19 CRITICAL PARTNER FOR VIACYTE SINCE 2009 WHEN IT
20 FIRST AWARDED A LOAN TO NOVOCELL WHICH WAS SINCE
21 TRANSFERRED TO VIACYTE. BUT WE PROVIDED \$72 MILLION
22 OF FUNDING INTO NINE AWARDS TO DEVELOP THIS
23 TECHNOLOGY, WHICH IS AN EMBRYONIC STEM CELL-DERIVED
24 PRODUCT THAT IS INTENDED TO TREAT DIABETES. THIS
25 PRODUCT IS AN IMPLANTATION OF A DEVICE THAT'S SEED

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1 WITH PANCREATIC PROGENITOR CELLS THAT ARE DERIVED
2 FROM EMBRYONIC STEM CELLS.

3 TODAY'S CONVERSATION IS ABOUT SPECIFICALLY
4 THIS ONE AWARD, DR-101423. THIS IS NOT AN ACTIVE
5 AWARD. IT'S ALREADY BEEN CLOSED; BUT BECAUSE THIS
6 LOAN IS WHAT'S CALLED A COMPANY-BACKED LOAN,
7 REGARDLESS OF THE OUTCOME OF THAT INITIAL AWARD, THE
8 COMPANY IS STILL OBLIGATED TO PAY THAT LOAN. SO THE
9 LOAN DATES BACK TO FEBRUARY 2010, AND IT HAS
10 ATTACHED TO IT AN EIGHT AND A QUARTER PERCENT
11 INTEREST RATE. IT'S CURRENTLY DUE TO EXPIRE IN
12 FEBRUARY 2022, AND VIACYTE HAS REQUESTED A LOAN
13 EXTENSION TO ENABLE THE PROGRAMS TO PROGRESS IN THE
14 CLINIC AND TO OBTAIN THE NECESSARY FINANCING TO DO
15 SO.

16 THE COMPANY HAS MADE PROGRESS, ESPECIALLY
17 OVER THE PAST YEAR, WHERE THEY'VE DEMONSTRATED IN
18 HUMANS IN CLINICAL TRIAL THAT THERE WAS THE PRESENCE
19 OF WHAT'S CALLED C-PEPTIDE, WHICH IS A MARKER THAT
20 THERE'S DE NOVO INSULIN PRODUCTION IN TYPE 1
21 DIABETIC PATIENTS WHO WERE ENROLLED IN THE TRIALS.
22 IT'S NOT YET TO SIGNIFICANT THERAPEUTIC LEVELS, BUT
23 IT'S A PROOF OF CONCEPT THAT THE CELLS IN THIS
24 DEVICE ARE SURVIVING, PRODUCING INSULIN, AND ARE
25 RESPONSIVE TO WHAT'S HAPPENING IN THE BODY.

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1 THEY NEED MORE FINANCING IN ORDER TO BE
2 ABLE TO BRING THIS PROGRAM TO THE NEXT STAGE AND,
3 THEREFORE, THE REQUEST TO EXTEND THE LOAN. THE LOAN
4 AT ISSUE IS SUMMARIZED HERE IN THIS SLIDE WITH THE
5 CURRENT TERMS. AND IN DISCUSSING WITH VIACYTE, WHAT
6 WE PROPOSE IS THAT WE WOULDN'T JUST GO WITH A SIMPLE
7 LOAN EXTENSION, BUT CIRM WISHES TO BE ABLE TO
8 RESTRUCTURE THE LOAN IN ORDER THAT CIRM MAY SHARE IN
9 A POTENTIAL UPSIDE WITH THE SUCCESS OF THE PROGRAM.

10 WE ALL AGREED THAT SUCCESS OF THIS PROGRAM
11 IS THE INTEREST OF BOTH PARTIES. THIS IS THE REASON
12 WE FUNDED THIS PROGRAM IN THE FIRST PLACE. AS
13 MENTIONED IN THE BEGINNING, THIS NOT AN ACTIVE
14 PROGRAM; BUT IF THE COMPANY FAILS, THAT THEY WOULD
15 NOT BE ABLE TO PAY BACK THE LOAN. WHAT THE COMPANY
16 HAD SAID WAS THEY ARE POSITIONED TO POTENTIALLY
17 IMPROVE THEIR CHANCES OF BRINGING THIS FORWARD IF
18 THE TERMS OF THIS LOAN WERE MODIFIED.

19 SO I'M GOING TO PRESENT TO YOU THE CURRENT
20 TERMS OF THE LOAN, THE PROPOSED CHANGES IN THE
21 TERMS, AND WHAT THE RATIONALE IS FOR POTENTIAL
22 IMPACT OF THIS CHANGE.

23 THE MATURITY DATE FOR THIS LOAN IS
24 CURRENTLY FEBRUARY 2022. THE PROPOSAL IS TO EXTEND
25 IT BY FOUR YEARS TO FEBRUARY 2026. THE RATIONALE

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1 FOR THIS IS PROVIDING THE COMPANY THE NECESSARY
2 RUNWAY TO ACHIEVE SUCCESS. SUCCESS DOESN'T
3 NECESSARILY MEAN THAT IMMEDIATELY THERE'S GOING TO
4 BE AN APPROVED PRODUCT, BUT IT MEANS IT'S MOVING
5 TOWARD THERE WHETHER IT'S BY WAY OF GAINING
6 SIGNIFICANT INVESTMENT OR BEING ACQUIRED BY A LARGER
7 ENTITY TO BRING IT FORWARD OR BY GOING PUBLIC AND
8 RAISING CAPITAL THAT WAY.

9 THE RATIONALE FOR PROVIDING THIS RUNWAY IS
10 THAT IT WOULD INCREASE THE CHANCES OF THIS PRODUCT
11 BEING EVENTUALLY BROUGHT TO PATIENTS. AND WITH THE
12 RECENT DATA, THAT IS SOMETHING THAT SUPPORTS THAT
13 NOTION. AND, ALSO, IF WE WEREN'T TO DO THIS AND THE
14 COMPANY JUST FOUND ITSELF IN A FINANCIAL SITUATION
15 WHERE IT WASN'T ABLE TO ADVANCE THE PROGRAM AND
16 THEREFORE NOT CONTINUE, CIRM WOULD BE AT RISK OF NOT
17 RECEIVING REPAYMENT IN ANY CASE.

18 THE CURRENT INTEREST RATE IS EIGHT AND A
19 QUARTER PERCENT, WHICH IS SIGNIFICANTLY HIGHER THAN
20 WHAT OUR CURRENT LOAN ADMINISTRATION POLICY PROVIDES
21 FOR. I NEED TO EMPHASIZE THAT VIACYTE AND THIS
22 PARTICULAR PROGRAM IN VIACYTE IS THE ONLY GRANT OUT
23 THERE UNDER THESE TERMS.

24 THE PROPOSAL IS TO ADJUST IT TO BE MORE IN
25 LINE WITH WHAT THE CURRENT CIRM LOAN TERMS ARE AND

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1 WHAT THE MARKETPLACE IS TELLING US TODAY. AND JUST
2 TO EMPHASIZE, THEY WOULD STILL OWE US THE ACCRUED
3 INTEREST UNDER THE EIGHT AND A QUARTER INTEREST RATE
4 PLUS THE PRINCIPAL IN ADDITION TO THE GOING FORWARD
5 SIMPLE INTEREST RATE OF 3 PERCENT. SHOULD WE GO
6 FORWARD WITH THIS, THAT WOULD START IN JULY OF 2020.

7 IN EXCHANGE FOR INCREASING THE TERM OF THE
8 AWARD AS WELL AS ADJUSTING THE GOING-FORWARD
9 INTEREST RATE, CIRM WOULD LIKE TO NEGOTIATE TO BE
10 ABLE TO SHARE IN THE UPSIDE. SO, FOR INSTANCE, IF
11 THERE'S A CHANGE IN CONTROL, WHICH IS EITHER AN
12 ACQUISITION, CONSOLIDATION, OR AN EVENT WHERE THEY
13 LOSE THE MAJORITY SHARES OF THE COMPANY, THEN THERE
14 WOULD BE A TRIGGER THAT THE PAYMENT WOULD BE DUE.
15 IN ADDITION TO JUST GETTING THE PAYMENT OR THE
16 PRINCIPAL PLUS INTEREST, THE ACCUMULATED INTEREST TO
17 THAT DATE, WHAT WE'RE PROPOSING IS THAT CIRM WILL
18 PLACE A PREMIUM ON THE PRINCIPAL. SO A 120 PERCENT
19 OF THE FACE VALUE OF THE PRINCIPAL SHALL BE DUE ON
20 REPAYMENT IN ADDITION TO ALL THE ACCRUED INTEREST TO
21 THAT DAY.

22 IN ADDITION, WE'RE NEGOTIATING FOR THE
23 ACCESS TO WARRANT SHARES. THIS IS SIGNIFICANT OR
24 THIS IS RELEVANT IF THE COMPANY GOES PUBLIC. SO THE
25 CURRENT TERMS DID PROVIDE FOR SOME SHARES, BUT OVER

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1 700,000 SHARES HAD ALREADY EXPIRED IN OCTOBER. SO
2 IN ADDITION TO RESTORING THE NUMBER OF SHARES,
3 BRINGING THAT BACK UP TO 2.2, 2.3 MILLION SHARES
4 APPROXIMATELY OF COMMON STOCK THAT WOULD BE DUE TO
5 CIRM, THE WARRANT EXERCISE PRICE, WHICH IS
6 FAVORABLE, WOULD BE AT \$0.03 VERSUS A DOLLAR PER
7 SHARE.

8 AND I NEEDED TO JUST ACKNOWLEDGE THAT
9 WE'VE HAD SOME AMAZING SUPPORT AND ADVICE AND
10 GUIDANCE FROM STEVE JUELSGAARD, WHO CAN SPEAK MUCH
11 MORE EXPERTLY IN TERMS OF THESE FINANCIAL TERMS THAN
12 I, BUT FOR NOW I'LL JUST LEAVE IT THERE AND TAKE ANY
13 QUESTIONS.

14 CHAIRMAN THOMAS: THANK YOU. BEFORE WE
15 GET TO QUESTIONS -- AND, AGAIN, THIS IS A MATTER
16 BEFORE THE FULL BOARD, NOT THE APPLICATION REVIEW
17 SUBCOMMITTEE -- DO WE HAVE A MOTION TO APPROVE THIS
18 ITEM, WHICH, AGAIN, IS TO CONSIDER AUTHORIZING DR.
19 MILLAN TO NEGOTIATE AND EXECUTE THE AMENDMENT TO THE
20 LOAN AGREEMENT THAT SHE HAS DESCRIBED?

21 DR. BLUMENTHAL: I MOVE TO APPROVE.

22 DR. MARTIN: I'LL SECOND.

23 CHAIRMAN THOMAS: THANK YOU. OKAY. ARE
24 THERE ANY QUESTIONS FROM MEMBERS OF THE BOARD ON
25 THIS ITEM?

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1 DR. HIGGINS: THIS IS DAVID. I HAVE A
2 QUESTION. WHAT IS THE LIKELIHOOD OF THIS COMING OUT
3 THE WAY YOU WANT IT TO? DO YOU SEE FURTHER
4 COMPROMISES REQUIRED ON OUR SIDE, OR DO YOU THINK
5 THIS IS THE FINAL DEAL?

6 DR. MILLAN: WE ACTUALLY HAVE BEEN ABLE TO
7 GET THE TEMPERATURE ON VIACYTE, AND WE'VE ALREADY
8 BEEN IN THE MIDST OF DISCUSSING POTENTIAL SCENARIOS,
9 AND THIS APPEARS TO BE TERMS THAT BOTH SIDES WOULD
10 BE COMFORTABLE WITH.

11 CHAIRMAN THOMAS: OTHER QUESTIONS OR
12 COMMENTS BY MEMBERS OF THE BOARD? I TOO WOULD LIKE
13 TO ADD CONGRATULATIONS TO MARIA, TO STEVE, AND TO
14 JENN AND BEN AND ALL THAT HAVE WORKED ON THIS. I
15 THINK THIS IS A WIN-WIN RESULT FOR ALL CONCERNED,
16 WHICH IS EXACTLY THE SORT OF THING WE SHOULD BE
17 STRIVING FOR AND I THINK HAVE ACHIEVED HERE.

18 DID I ASK FOR COMMENTS BY MEMBERS OF THE
19 PUBLIC? ARE THERE COMMENTS BY MEMBERS OF THE
20 PUBLIC? DO YOU SEE ANY?

21 MS. BONNEVILLE: NO.

22 CHAIRMAN THOMAS: WILL YOU PLEASE CALL THE
23 ROLL.

24 DR. HIGGINS: CAN I MAKE A COMMENT BEFORE
25 YOU GO THERE, J.T.?

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1 CHAIRMAN THOMAS: CERTAINLY.

2 DR. HIGGINS: I'M A LITTLE BIT LATE HERE.
3 I THINK EVERYBODY PROBABLY HERE KNOWS THAT THIS IS
4 ONE OF THE PROGRAMS THAT HAS GIVEN OR GAVE CIRM
5 EARLY PUBLIC NOTORIETY OR SUCCESS. THIS IS ALMOST
6 LIKE A CORNERSTONE OF WHAT WE'VE TRIED TO DO IN THE
7 LAST DECADE. IT'S GOING SLOWER THAN WE THOUGHT IT
8 WOULD. IT MAYBE ISN'T TURNING OUT EXACTLY THE SAME.
9 BUT WHEN PEOPLE ASK ME ABOUT CIRM, THEY ASK ME ABOUT
10 THIS PROGRAM. THIS IS BY FAR THE MOST HIGHLY
11 VISIBLE PROGRAM THAT I THINK WE HAVE. I THINK
12 THAT'S PARTIALLY BECAUSE PEOPLE UNDERSTAND THE
13 DISEASE.

14 DR. MARTIN: I WOULD ALSO ADD WHEN YOU
15 SAID, J.T., THAT THIS WAS TO BENEFIT ALL PARTIES,
16 PATIENTS. PATIENTS WILL BENEFIT.

17 CHAIRMAN THOMAS: ABSOLUTELY. THAT'S AT
18 THE CORE OF EVERYTHING WE DO, BUT THANK YOU FOR
19 REMINDING US NEVER TO LOSE SIGHT OF THAT EXTREMELY
20 IMPORTANT FACT.

21 OKAY. I THINK THAT'S IT FOR COMMENTS.
22 MARIA, WILL YOU PLEASE CALL THE ROLL.

23 MS. BONNEVILLE: DAN BERNAL.

24 MR. BERNAL: YES.

25 MS. BONNEVILLE: GEORGE BLUMENTHAL.

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1 DR. BLUMENTHAL: YES.
2 MS. BONNEVILLE: DEBORAH DEAS.
3 DR. DEAS: YES.
4 MS. BONNEVILLE: ANNE-MARIE DULIEGE.
5 DR. DULIEGE: YES.
6 MS. BONNEVILLE: YSABEL DURON.
7 MS. DURON: YES.
8 MS. BONNEVILLE: DAVID HIGGINS.
9 DR. HIGGINS: YES.
10 MS. BONNEVILLE: STEPHEN JUELSGAARD.
11 MR. JUELSGAARD: YES.
12 MS. BONNEVILLE: DAVE MARTIN.
13 DR. MARTIN: YES.
14 MS. BONNEVILLE: SHLOMO MELMED.
15 DR. MELMED: YES.
16 MS. BONNEVILLE: LAUREN ROGEN.
17 MS. ROGEN: YES.
18 MS. BONNEVILLE: ADRIANA PADILLA.
19 DR. PADILLA: YES.
20 MS. BONNEVILLE: JOE PANETTA.
21 MR. PANETTA: YES.
22 MS. BONNEVILLE: FRANCISCO PRIETO.
23 DR. PRIETO: AYE.
24 MS. BONNEVILLE: AL ROWLETT.
25 MR. ROWLETT: YES.

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1 MS. BONNEVILLE: JONATHAN THOMAS.

2 CHAIRMAN THOMAS: YES.

3 MS. BONNEVILLE: KRISTINA VUORI.

4 DR. VUORI: YES.

5 MS. BONNEVILLE: DIANE WINOKUR. KEITH
6 YAMAMOTO.

7 DR. YAMAMOTO: YES.

8 MS. BONNEVILLE: DIANE, IF YOU NOD, I'LL
9 CATCH IT. SHE SAID YES.

10 CHAIRMAN THOMAS: THANK YOU, MARIA. THAT
11 CONCLUDES THE ACTION ITEMS. WE NOW ARE INTO THE
12 DISCUSSION ITEMS, COMING DOWN THE HOME STRETCH HERE.
13 ITEM NO. 9, FINANCIAL AUDIT RESULTS FROM MGO, OUR
14 AUDITORS. I BELIEVE WE HAVE CRAIG HARNER TO
15 PRESENT.

16 MR. HARNER: GOOD AFTERNOON, MEMBERS OF
17 THE COMMITTEE. MY NAME IS CRAIG HARNER. I'M A
18 DIRECTOR AT MGO. I'M HERE TO PRESENT THE RESULTS OF
19 OUR AUDIT OF THE FINANCIAL STATEMENTS OF CIRM FROM
20 JUNE 30, 2019, AND THEN I'LL TAKE ANY QUESTIONS AT
21 THE END.

22 PLEASE GO TO THE FIRST SLIDE HERE. WE
23 WERE ENGAGED TO PERFORM AN AUDIT OF THE FINANCIAL
24 STATEMENTS OF THE STEM CELL FUND AND WHAT WE ALSO
25 CALL THE GOVERNMENTAL ACTIVITY FOR THE YEAR ENDED

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1 JUNE 30, 2019. AND AS PART OF THAT AUDIT, WE'VE
2 ISSUED THREE REPORTS. TWO OF THEM ARE INCLUDED AT
3 THE FIRST COUPLE PAGES AND THE LAST COUPLE PAGES IN
4 THE FINANCIAL STATEMENTS THAT YOU HAVE.

5 THE FIRST REPORT BEING THE INDEPENDENT
6 AUDITORS REPORT. AND SO THIS IS THE KEY ONE THAT
7 HAS OUR OPINION ON THE FINANCIAL STATEMENTS. AS A
8 BY-PRODUCT OF US DOING OUR AUDIT IN ACCORDANCE WITH
9 WHAT WE CALL GOVERNMENT AUDITING STANDARDS, WE HAVE
10 TO ISSUE A SECOND REPORT ON OUR CONSIDERATION OF
11 INTERNAL CONTROLS ON FINANCIAL REPORTING AND
12 COMPLIANCE BASED ON -- AND OTHER MATTERS BASED ON AN
13 AUDIT OF THE FINANCIAL STATEMENTS IN ACCORDANCE WITH
14 GOVERNMENT AUDITING STANDARDS. AND THEN, FINALLY,
15 OUR LAST REPORT IS REQUIRED BY PROFESSIONAL
16 STANDARDS. AT THE END OF EVERY AUDIT, THERE'S A FEW
17 THINGS WE HAVE TO COMMUNICATE. WE CALL THIS
18 REQUIRED COMMUNICATIONS TO THOSE CHARGED WITH
19 GOVERNANCE, IN THIS CASE BEING THE INDEPENDENT
20 CITIZENS OVERSIGHT COMMITTEE OR THE ICOC. AND NEXT
21 SLIDE.

22 SO I'LL START WITH THE FINANCIAL
23 STATEMENTS. THE FRAMEWORK THAT WE PREPARED WAS
24 USING U.S. GENERALLY ACCEPTED ACCOUNTING POLICY OR
25 U.S. GAP. AND WE PERFORMED OUR AUDIT OF THOSE

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1 FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY
2 ACCEPTED AUDITING STANDARDS AND ALSO THE GOVERNMENT
3 AUDITING STANDARDS, WHICH, AGAIN, PLACES US A LITTLE
4 MORE PROCEDURE THAT WE HAVE TO DO IN CONSIDERATION
5 OF INTERNAL CONTROLS AND COMPLIANCE, AND I'LL TOUCH
6 ON THAT IN A SECOND.

7 EVEN THOUGH WE CONSIDER THE INTERNAL
8 CONTROLS AND COMPLIANCE, WE DON'T OPINE ON THOSE.
9 IT'S JUST TO HELP US ASSIST DESIGNING PROCEDURES FOR
10 OUR FINANCIAL STATEMENT AUDIT. HOWEVER, IF WE
11 BECAME AWARE OF ANY CRITICAL ISSUES OR DEFICIENCIES
12 IN INTERNAL CONTROLS OR ANY MATERIAL NONCOMPLIANCE,
13 WE WOULD HAVE TO REPORT THAT TO THE BOARD.

14 WE ISSUED OUR OPINION, OUR REPORT, ON
15 THE -- GO BACK. WE ISSUED OUR REPORT, OUR
16 INDEPENDENT AUDIT REPORT, ON OCTOBER 15, 2019, AND
17 WE ISSUED AN UNMODIFIED OPINION ON THE FINANCIAL
18 STATEMENTS, WHICH IS THE HIGHEST LEVEL OF ASSURANCE
19 THAT AN AUDITOR CAN GIVE AN ORGANIZATION REGARDING
20 THE FAIR PRESENTATION OF THOSE FINANCIAL STATEMENTS.
21 ONCE AGAIN, ANOTHER UNMODIFIED OPINION ON THE
22 FINANCIAL STATEMENTS HERE. AND THEN WE ALSO ISSUED
23 OUR REPORT ON THE INTERNAL CONTROLS AND COMPLIANCE,
24 AND WE DIDN'T NOTE ANY DEFICIENCIES IN INTERNAL
25 CONTROLS OR ANY NONCOMPLIANCE THAT WOULD AFFECT THE

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1 FINANCIAL STATEMENTS.

2 IF WE GO TO THE NEXT SLIDE, I'LL JUST GO
3 THROUGH OUR REQUIRED COMMUNICATIONS. THERE'S JUST
4 SEVERAL ITEMS THAT WE HAVE TO COMMUNICATE WHICH I'LL
5 GO THROUGH. THERE WASN'T ANYTHING OUT OF THE
6 ORDINARY. IT WAS ANOTHER KIND OF BORING YEAR FOR
7 US, WHICH IS WHAT WE LIKE AS AUDITORS, WHICH MEANS
8 NOTHING REALLY HAPPENED. SO IT'S A GOOD THING.

9 THERE'S A COUPLE THINGS THAT I'LL GO OVER
10 AS FAR AS MORE QUALITATIVE ASPECTS OF ACCOUNTING,
11 ONE BEING SIGNIFICANT ACCOUNTING POLICY. MANAGEMENT
12 IS REQUIRED TO SELECT APPROPRIATE ACCOUNTING
13 POLICIES AS FAR AS RECORDING TRANSACTIONS AND
14 ULTIMATELY REPORTING THOSE TRANSACTIONS INTO THE
15 FINANCIAL STATEMENTS IN THE NOTES. AND THERE WERE
16 NO CHANGES LAST YEAR IN ANY OF THE ACCOUNTING
17 POLICIES.

18 AND THEN ALSO THERE'S CERTAIN ITEMS IN
19 FINANCIAL STATEMENTS THAT MANAGEMENT MIGHT BE
20 REQUIRED TO MAKE ESTIMATES ABOUT. AND THERE'S --
21 THERE WERE NO SIGNIFICANT -- CIRM DIDN'T HAVE ANY
22 SIGNIFICANT ESTIMATES AFFECTING ANY OF THE BALANCES
23 AND NO DISCLOSURES.

24 WE ALSO HAD -- WE HAD NO DIFFICULTIES IN
25 PERFORMING OUR AUDIT. WE HAD NO CORRECTED OR

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1 UNCORRECTED MISSTATEMENTS. SO THE RECORDS THAT WE
2 INSPECTED WERE PRETTY CLEAN. NO DISAGREEMENTS WITH
3 MANAGEMENT, AND WE DIDN'T HAVE ANY OTHER ISSUES.

4 AND THE LAST THING THAT WE ALWAYS HAVE TO
5 RECEIVE IS A LETTER CALLED AN ANNUAL REPRESENTATION
6 LETTER WHERE MANAGEMENT REPRESENTS TO US CERTAIN
7 THINGS THAT DURING THE COURSE OF THE AUDIT THAT WE
8 CONSIDER SIGNIFICANT. WE DIDN'T HAVE ANY ISSUES
9 OBTAINING THAT LETTER, AND WE WERE ABLE TO ISSUE OUR
10 REPORT.

11 WITH THAT BEING SAID, I'LL TAKE ANY
12 QUESTIONS AND I CAN ANSWER ANYTHING FOR ANYONE.

13 CHAIRMAN THOMAS: THANK YOU, CRAIG. ARE
14 THERE ANY QUESTIONS OR COMMENTS BY MEMBERS OF THE
15 BOARD? I'D LIKE TO THANK CRAIG FOR HIS HELP, AS
16 ALWAYS, AND CONGRATULATE CHILA AND SUMI FOR, AS
17 USUAL, OUTSTANDING WORK IN GETTING US THIS RESULT
18 WITH THIS AUDIT. SO THANK YOU VERY MUCH FOR THAT.

19 MR. HARNER: LET ME ADD ONE MORE THING
20 ONTO THAT. I'VE ALWAYS HEARD FROM SOMEONE THAT CIRM
21 IS THE MOST AUDITED ENTITY IN THE STATE, WHICH I
22 THINK IS TRUE. BUT THE STATE CONTROLLER'S OFFICE,
23 AFTER WE'RE DONE WITH OUR AUDIT, THEY COME IN AND
24 REVIEW ALL OF OUR WORK, AND THEY ISSUE A REPORT ON
25 OUR QUALITY CONTROL. AND FOR THE 2019 AUDIT, THEY

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1 JUST ISSUED THEIR REPORT ON NOVEMBER 4TH, AND THEY
2 DIDN'T HAVE ANY COMMENTS OR QUESTIONS FOR US. IT
3 ALL GOES THROUGH TO THE GREAT WORK THAT CHILA AND
4 SUMI DID ON THE FINANCIAL TRANSACTIONS LAST YEAR.

5 CHAIRMAN THOMAS: GREAT. THANK YOU FOR
6 ADDING. THAT'S ADDITIONALLY GOOD NEWS.

7 ANY OTHER COMMENTS BY MEMBERS OF THE BOARD
8 ON THE AUDIT? OKAY. CRAIG, THANK YOU VERY MUCH.
9 APPRECIATE YOUR WORK AS ALWAYS.

10 MR. HARNER: THANK YOU.

11 CHAIRMAN THOMAS: OKAY. WE ARE CLOSE TO
12 THE FINAL THING HERE. WE'RE NOW AT PUBLIC COMMENT.

13 I KNOW MARIA HAS A LETTER SHE WOULD LIKE TO
14 READ FROM DON REED TO THE BOARD.

15 MS. BONNEVILLE: THANKS, J.T.

16 THIS IS FROM DON REED. "TO THE ICOC
17 BOARD, CIRM LEADERSHIP, STAFF, AND FRIENDS, AS WE
18 WAIT FOR THE PROP 14 VOTES TO BE COUNTED, I WOULD
19 LIKE TO SAY THANK YOU TO ALL INVOLVED IN THE
20 CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE. IN
21 THE BEGINNING WHEN SCIENTISTS TOLD ME CIRM WOULD BE
22 LUCKY TO GET EVEN ONE THERAPY INTO CLINICAL TRIALS
23 WITH ALL THE YEARS, DECADES OF FDA TESTING NEEDED,
24 BUT CIRM HAS PREVAILED. TODAY MORE THAN 90 CLINICAL
25 TRIALS ARE UNDER WAY, ALL CHALLENGING DISEASES AND

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1 DISABILITIES CALLED CHRONIC OR INCURABLE. EACH ONE
2 OF THOSE TRIALS REQUIRED MASSIVE AMOUNTS OF
3 PREPARATION AND STUDY, NOT JUST FROM THE SCIENTISTS,
4 BUT FROM THE CIRM STAFF WHICH RECOMMENDED AND THE
5 ICOC WHICH DECIDED. NOTHING HAPPENED BY ITSELF.

6 "FROM ALZHEIMER'S TO STROKE, FROM CANCER
7 TO PARALYSIS, YOU STUDIED THE INTENSELY DIFFICULT
8 LANGUAGE, SOMETIMES IT SEEMS EACH PROJECT HAD ITS
9 OWN VOCABULARY, AND MADE YOUR DECISIONS. AND WHEN
10 COVID RAISED ITS UGLY HEAD, EVEN THOUGH OUR FUNDING
11 WAS ALMOST GONE, YOU GATHERED THE MONEY TO GET OUR
12 SCIENTISTS WORKING ON THAT NEW CHALLENGE, WHICH THEY
13 ARE DOING AS WE SPEAK.

14 "FOR 16 YEARS THE ICOC AND CIRM STAFF HAD
15 WORKED TOGETHER, AND WE IN THE PATIENT ADVOCATE
16 COMMUNITY WERE WELCOME PARTICIPANTS AS IT SHOULD BE.
17 IT WAS, AFTER ALL, A PATIENT ADVOCATE WHO BEGAN CIRM
18 AND WHO FIGHTS FOR IT STILL.

19 "AS ANYONE WHO HAS EVER TRIED TO
20 COMPLIMENT BOB KLEIN CAN VERIFY, HE WILL IMMEDIATELY
21 PUT THE PRAISE ON SOMEBODY ELSE OR CITE THE PROGRAM
22 AS A TEAM EFFORT, WHICH IS TRUE, BUT IT IS ALSO TRUE
23 THAT BOB IS THE IRREPLACEABLE PERSON. HIS DREAM AND
24 LEADERSHIP OF PROP 71 ALLOWED CALIFORNIA TO TAKE UP
25 THE CHALLENGE OF FIGHTING CHRONIC DISEASE. WHEN THE

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1 MONEY RAN OUT, HE DID NOT SAY, "OH, WELL, IT WAS A
2 GOOD RUN." HE TOOK UP THE CHALLENGE AGAIN,
3 PROPOSITION 14, TO RENEW THE FUNDING OF THIS
4 GLORIOUS PROGRAM.

5 "SCIENTIST PETE COFFEY SAID OF BOB, 'IN
6 ENGLAND WE WOULD JUST KNIGHT HIM, CALL HIM SIR
7 BOB.'" PERSONALLY I WOULD LIKE TO SEE HIM GET THE
8 NOBEL PRIZE. WHO HAS DONE MORE TO ADVANCE MODERN
9 MEDICINE? UNTIL THE MILLIONS OF VOTES ARE COUNTED,
10 WE CANNOT KNOW THE OUTCOME OF PROP 14, BUT I BELIEVE
11 THE PEOPLE OF CALIFORNIA SUPPORT REGENERATIVE
12 MEDICINE BECAUSE THEY WANT THEIR SUFFERING LOVED
13 ONES TO GET WELL. THEY SHOULD AND SHALL PREVAIL.
14 THANK YOU VERY MUCH."

15 CHAIRMAN THOMAS: THANK YOU, MARIA. ARE
16 THERE OTHER COMMENTS BY MEMBERS OF THE PUBLIC?
17 HEARING THAT, I JUST WANTED TO IN CLOSING RELAY ONE
18 SET OF COMMENTS TO THE BOARD -- HOLD ON ONE SECOND
19 PLEASE. I THOUGHT THE DOG WAS GOING TO MAKE IT
20 THROUGH THE ENTIRE MEETING, BUT OF COURSE NOT. SO
21 I'M HOPING HE'S QUIET FOR THE TWO MINUTES AT LEAST.

22 SO I WANTED EVERYBODY TO KNOW THE LAST GWG
23 MEETING WE HAD WAS FOR THE QUEST AWARDS. AND AT THE
24 END OF A TYPICALLY EXPERT SESSION WHERE OUR PEER
25 REVIEWERS DID FANTASTIC WORK AS ALWAYS, THERE WAS

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1 SORT OF A WISTFUL TONE BECAUSE AT THAT POINT THE
2 ELECTION WAS STILL TO COME AND THERE WAS GREAT
3 UNCERTAINTY AS TO HOW PROP 14 WOULD DO ONCE THE
4 ELECTION HAPPENED.

5 AND IN THE COURSE OF THE DISCUSSION AT THE
6 END OF THAT, THERE WAS A COMMENT MADE, I THINK IT
7 WAS BY MARK NOBLE, WHO A NUMBER OF YOU KNOW, FROM
8 ROCHESTER, WHO'S BEEN A LONGTIME STALWART OF OUR
9 REVIEWS, TO THE EFFECT THAT -- THIS IS A COMMENT
10 ABOUT CIRM. HE SAID, "YOU KNOW, EVERYBODY WHO'S A
11 PEER REVIEWER FOR CIRM, MOST ALL ARE REVIEWERS FOR
12 NIH AS WELL, WHICH THEY GLADLY DO; BUT THAT WHEN THE
13 CALL COMES TO WORK WITH CIRM, THAT THERE IS A
14 PARTICULAR ENTHUSIASM FOR DOING THAT THAT LITERALLY
15 THEY DON'T HAVE ANYWHERE ELSE."

16 AND IT'S A TRIBUTE TO THE WORK THAT WE ARE
17 DOING. IT'S A TRIBUTE TO THE TEAM AND THE EXPERT
18 JOB IT DOES, TO THE PROCESS THAT'S BEEN PUT IN PLACE
19 FOR ANALYZING GRANTS AND MAKING AWARDS, AND THE
20 EXPERT AND EXCEPTIONAL WORK DONE BY THE SCIENTISTS
21 IN CALIFORNIA WHO ARE THE APPLIERS FOR OUR GRANTS.
22 AND SO THAT SET OFF COMMENTS BY OTHER MEMBERS
23 REITERATING THAT ABOUT WHAT A TRULY REMARKABLE
24 EXPERIENCE IT IS TO WORK WITH CIRM. AND I THOUGHT
25 THAT THAT WAS A GREAT TESTAMENT TO ALL OF US AND THE

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1 TEAM THAT WE ARE ALL MEMBERS OF AND WANTED TO MAKE
2 SURE THAT THE BOARD HEARD THAT AND APPRECIATED THAT
3 THAT WAS THE VIEWPOINT OF THE OUTSIDE WORLD, IF YOU
4 WILL, ABOUT WHAT IT IS WE DO.

5 SO WITH THAT, THE ONLY OTHER THING I
6 WANTED TO POINT OUT IS DID I MENTION THAT THE LAKERS
7 WON THE WORLD CHAMPIONSHIP TOO? I'M NOT SURE IF I
8 BROUGHT THAT UP EARLIER. IN CASE I DIDN'T, I WANTED
9 TO BRING IT UP. AND WITH THAT --

10 MR. TORRES: ONE POINT. I KNOW WE MAY
11 MENTION THIS LATER, BUT I DON'T WANT TO BE REMISS IN
12 NOT THANKING SPEAKER PELOSI, SENATOR FEINSTEIN,
13 CLEARLY GOVERNOR NEWSOM, LIEUTENANT GOVERNOR
14 KOUNALAKIS, INSURANCE COMMISSIONER LARA, SECRETARY
15 OF STATE PADILLA, SUPERVISOR MARK RIDLEY THOMAS FROM
16 LOS ANGELES, MEMBERS OF THE LEGISLATURE THAT WERE
17 JUST TREMENDOUS FOR OUR EFFORT, LORENA GONZALES FROM
18 SAN DIEGO, AND CLEARLY DAVID CHIU, MY OWN
19 ASSEMBLYMAN HERE IN SAN FRANCISCO AS HEAD OF THE API
20 CAUCUS, THE LGBTQ COMMUNITY THROUGH SENATOR SCOTT
21 WIENER, AND THE MAYORS OF LOS ANGELES, SAN
22 FRANCISCO, SACRAMENTO, AND LONG BEACH WHO PROVIDED
23 TREMENDOUS SUPPORT FOR US IN A VERY GRASS ROOTS WAY.

24 AND ALSO LET US NOT FORGET THAT THIS
25 INITIATIVE CAME TO THE BALLOT AT A VERY DIFFICULT

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1 TIME TO FIND SIGNATURES. I DON'T KNOW HOW WE DID
2 IT, BUT WE DID IT. AND A LOT OF THE CREDIT GOES TO
3 PEOPLE LIKE DON REED AND THE THOUSANDS OF PATIENT
4 ADVOCATES WHO CAME THROUGH FOR US IN A CAMPAIGN THAT
5 JUST ABSOLUTELY THREW AWAY THE TRADITIONAL NOTION OF
6 TELEVISION, MEDIA BLITZING AND RADIO BLITZING TO
7 WHERE TEXTS, E-MAILS, SOCIAL MEDIA, AND THE GRASS
8 ROOTS WORKING TOGETHER ACROSS THE STATE REALLY
9 PROVIDED AN EXAMPLE OF THE TREMENDOUS COMMITMENT
10 THAT OUR PATIENT ADVOCATES HAVE AND OUR PATIENTS.
11 AND TO THEM WE OWE A DEBT OF GRATITUDE NOT ONLY FOR
12 THIS HOPEFUL RESULT, BUT EVEN MORE A DEBT OF
13 GRATITUDE FOR FIGHTING FOR SO MANY OTHER PATIENTS
14 WHEN PEOPLE DIDN'T HAVE TO, WHEN PEOPLE DIDN'T NEED
15 TO, YET THEY WERE THERE ON THE FRONT LINE, MANY OF
16 THEM WITH FAMILIES AND RELATIVES, AND HUSBANDS AND
17 WIVES AND FRIENDS WITH THESE DISEASES, YET THEY TOOK
18 THE TIME TO CONTINUE TO PRESS FORWARD. TO THOSE
19 UNCALLED HEROES, I CAN'T EXPRESS MORE GRATITUDE.
20 THANK YOU.

21 CHAIRMAN THOMAS: SO WELL SAID, ART. AND
22 THANK YOU SO MUCH TO YOU FOR ALL YOU HAVE DONE,
23 TIRELESS JUST AS YOU ALWAYS HAVE BEEN THROUGHOUT
24 YOUR TENURE HERE, BUT THANK YOU SO MUCH FOR
25 EVERYTHING.

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1 MR. TORRES: THANK YOU.

2 DR. HIGGINS: CAN I ADD A QUICK COMMENT?
3 THIS IN ADDITION TO WHAT ART JUST SAID. SO OFTEN IS
4 THE CASE WHERE AN ORGANIZATION LIKE THIS THAT IS
5 WELL RUN AND SUCCESSFUL AND FULL OF PROFESSIONALS,
6 THEY TEND TO DOWNPLAY SUCCESSES AND FOCUS ON THE
7 FUTURE. AND THAT'S FINE, BUT I WOULD LIKE TO
8 SUGGEST THAT SOMEHOW IN DECEMBER OR JANUARY OR
9 WHATEVER THAT THE BOARD, ESPECIALLY THE BOARD AS IT
10 EXISTS NOW, BE GIVEN THE OPPORTUNITY TO THANK THE
11 STAFF IN MEANINGFUL WAYS WHERE WE CAN TAKE THE TIME
12 AND WE'RE FORCED TO TAKE THE TIME TO ACKNOWLEDGE
13 ESPECIALLY THOSE THAT ARE STILL WITH US AND HOW THIS
14 IS REALLY THEIR SUCCESS LOGISTICALLY. AND I THINK
15 THAT THAT NEEDS TO BE SAID AND NEEDS TO BE TALKED
16 ABOUT.

17 MR. TORRES: THAT'S A GOOD IDEA. I'M ALSO
18 GOING TO RECOMMEND THAT WE SET A SHORT TIME TO THANK
19 BOB KLEIN AND DANIELLE GUTTMAN KLEIN FOR THEIR
20 TREMENDOUS SACRIFICE, I MEAN SACRIFICE, PHYSICALLY,
21 TIMEWISE, PERSPIRATION, SACRIFICE. AND SO I'M SURE
22 THAT WE'LL SET A TIME AT OUR NEXT BOARD MEETING IN
23 DECEMBER, ONCE ALL THE SMOKE HAS CLEARED, TO THANK
24 BOB WHO REALLY IS A TRUE HERO FOR PATIENTS ACROSS
25 THE STATE AND NATION.

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1 DR. DURON: I'D LIKE TO PICK UP WHERE ART
2 LEFT OFF, BUT I'D LIKE TO PROPOSE THAT WE ALSO
3 CONSIDER IN OUR NEXT MEETING OR SOMETHING IN WHICH
4 WE CAN ACTUALLY BOTTLE THE FORMULA USED BY THE
5 ADVOCATES AND MAKE IT A ROBUST PART OF A
6 COMMUNICATIONS PLAN BECAUSE I THINK IF WE'RE GOING
7 TO LOOK AT CONTINUING TO RAISE THE AWARENESS AND GET
8 THE SUPPORT OF THE RESIDENTS OF CALIFORNIA, THEY
9 NEED TO BE KEPT VERY AWARE OF THESE WONDERFUL
10 MOVEMENTS FORWARD THAT SORT OF KEEP HOPE ALIVE. SO
11 IF WE FOUND THIS WONDERFUL WAY TO COMMUNICATE THIS
12 THROUGH OUR ADVOCACY GROUPS, THEN WE NEED TO
13 INCORPORATE THAT INTO A VERY STRONG COMMUNICATIONS
14 PLAN AND MOVE FORWARD SO THAT WE CAN, IN FACT,
15 RESPOND TO WHAT WERE A LOT OF CRITICAL MESSAGES
16 COMING FROM PRESS, WHO I THINK WERE EQUALLY
17 UNINFORMED OF THE LEVEL OF PATIENT ADVOCACY AND
18 SUPPORT FOR THIS. BECAUSE TO ME INFORMATION IS
19 GOLDEN. AND IF THE PEOPLE OF CALIFORNIA DON'T HAVE
20 ENOUGH OF THIS SUCCESS OF CIRM AND ALL OF THE
21 FABULOUS RESEARCHERS DOING THEIR WORK, THAT THEY'RE
22 GETTING A RETURN ON THEIR INVESTMENT, I THINK THAT
23 THE STRUGGLE TO GET THAT SUPPORT WILL CONTINUE. SO
24 I'D LIKE TO RECOMMEND THAT SOMEHOW OR ANOTHER WE
25 LOOK AT THAT AS ALSO A FUTURE BOILER POINT --

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1 BOILERPLATE. THANK YOU.

2 CHAIRMAN THOMAS: THANK YOU, EVERYBODY,
3 FOR YOUR COMMENTS. ARE THERE ANY OTHER PARTING
4 COMMENTS FROM MEMBERS OF THE BOARD? HEARING NONE,
5 WE LOOK FORWARD TO SEEING EVERYBODY AT OUR DECEMBER
6 BOARD MEETING AND HOPEFULLY AT THAT POINT TO HAVE A
7 VICTORY IN HAND AT WHICH POINT WE WILL, AMONG OTHER
8 THINGS, DISCUSS THE BUDGET GOING FORWARD IN LIGHT OF
9 THAT, THE ROLE OF THE BOARD, AND A GAME PLAN FOR
10 PROCEEDING WITH THE NEW ITERATION OF CIRM AND OTHER
11 RELATED ITEMS. SO THANKS, EVERYBODY, FOR A VERY
12 PRODUCTIVE MEETING TODAY. WITH THAT, WE STAND
13 ADJOURNED.

14 (THE MEETING WAS THEN CONCLUDED AT 12:50 P.M.)
15
16
17
18
19
20
21
22
23
24
25

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE AND THE APPLICATION REVIEW SUBCOMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON NOVEMBER 12TH, 2020, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CA CSR 7152
133 HENNA COURT
SANDPOINT, IDAHO
(208) 290-3543